



Royal Trust
1979 Annual Report

AR02



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Cover Photo

Above the 80th parallel, near the top of the world on Ellesmere Island in the Northwest Territories, the midnight sun shines over Greely Fjord.



Annual Meeting
Toronto, Thursday, March 6, 1980,
11:00 a.m.,
Royal York Hotel

Highlights
(Dollars in thousands,
except per share amounts)

	1979	1978
Gross income	\$ 894,325	\$ 702,199
Net operating income	\$ 27,234	\$ 26,339
Net operating income per share	\$ 1.59	\$ 1.65
Net income	\$ 29,008	\$ 28,842
Net income per share	\$ 1.70	\$ 1.81
Assets	\$ 7,065,934	\$ 5,837,266
Estimated market value of trust and other fiduciary assets under administration	\$18,738,000	\$16,909,000
Total assets under administration	\$25,803,934	\$22,746,266
Total number of offices	285	263
Total number of employees	9,134	8,516

Profile

The Royal Trust group of companies

Royal Trust is the name by which we have been known to our customers for generations. We have grown from The Royal Trust Company, founded at Montreal in 1899, to a group of companies, primarily in Canada, with 116 moneyservice offices and 164 real estate offices, but also in Florida and Europe.

Royal Trustco Limited is the parent company of the group of companies. The registered office is at Ottawa and executive offices are located in Toronto. Royal Trust Corporation of Canada is the major operating subsidiary, providing trust and real estate services in all provinces except Quebec. The Royal Trust Company continues as our operating subsidiary in Quebec. Our computer subsidiary, Computel Systems Ltd., Ottawa, provides data-processing and associated services to business and governments across Canada and abroad.

In Florida, Royal Trust Bank Corp. of Miami has 17 banking outlets across the state. Our European region, based in London, has banking and trust services in "The City", Ireland, Jersey, C.I., and the Isle of Man and trust facilities in Liechtenstein and Switzerland. About 99% of our 8,803 shareholders are Canadian and we employ more than 9,000 people.



Kenneth A. White
Chairman, President and
Chief Executive Officer

This is the 80th Annual Report of Royal Trust. It is presented at a time of great stress in political life around the world. Yet, it is my opinion that we as Canadians have sound reasons for a positive attitude. We should view the new decade with confidence and optimism; a confidence that Canada can and will bring order to its economic and political life; and optimism that as Canadians we have the inherent good sense to tackle the major problems involved in increasing our productivity and strengthening our economy.

As we enter the new decade, we are constantly reminded that Canada's economy is not performing well, that our inflation rate is much too high and that we have not yet demonstrated our willingness as a nation to recognize the inevitable rise in Canada's energy costs.

These factors, of course, are only part of the Canadian reality of 1980. On the positive side, Canada possesses resources in abundance. Our national assets include vast untapped sources of energy as well as other important renewable resources, one of the finest transportation systems in the world, a highly skilled and well educated population, and a very high standard of living. It seems reasonable then to assume that with sound leadership and understanding of the problems by government, Canadians should indeed be able to tackle the problems of 1980 and provide sound and lasting solutions.

In reading this report, you will realize that 1979 was not an outstanding year for your Company. Our earnings per share reflect the difficult economic environment with its record high level of interest rates, resulting in the narrowest investment margin we have experienced in recent years. The normal costs of doing business have also risen inexorably with competition in the area of money operations reaching an unusually high level of intensity. A detailed review of your Company's performance is contained in this report beginning on page 5 with Mr. Scholes' comments on Operations and in the Financial Review which begins on page 15.

The major focus of our report is on the larger Canadian operations, but it is important also to give full recognition to the significant contribution of our companies in the Florida and European Regions. In London, the British company is on its way to full banking status and has moved into fine new offices in "The City". In Florida our system of banks is developing well in advance of our original schedule and the growth of these companies is materializing in their progressively greater contribution to the net profits of the Company.

The Bank Act

A new Bank Act is expected to receive high priority when the new Canadian Parliament is called into session following the Federal Election this February.

Enactment of some of the revisions would in our opinion have a detrimental effect on the ability of a number of trust companies to continue to operate effectively, particularly the smaller ones. The proposals would grant the chartered banks an even greater access in competitive business areas which the trust companies have developed and served efficiently for many years.

The Challenges

We expect that the slow rate of growth in the economy of most western countries during the past year will continue into 1980. The political and economic situation will surely test our mettle as individual Canadians and as a major financial institution. The key to success for the Royal Trust group of companies undoubtedly will be in the use of our accumulated expertise in providing, and expanding, the more than 50 services we offer to the public. The challenge is to be as resourceful as possible in maintaining our objective of offering the finest financial, other related, and real estate services to our customers.

In all business enterprises, and indeed in all society, there are complex forces at work, over which individuals and companies have little or no control. Yet, surely risk and uncertainty are

an integral part of our national heritage and should be viewed as forces to motivate us to new heights of achievement than as something to fear. The fundamentally sound performance of Royal Trust over the past 80 years gives us confidence that the men and women who make up the Company will meet the challenges in the years ahead.

Directors

Harold Husband, President, Victoria Machinery Depot Co. Ltd., Victoria, British Columbia, will not be standing for re-election as he has reached the Corporation's mandatory retirement age for a director. Your Company is greatly indebted to Mr. Husband for his valued support and great contribution during the 16 years he has been a director. We are grateful for his acceptance of our invitation that he become an Honorary Director of Royal Trustco Limited.

Officers

During 1979 Robert T. Horwood, formerly President of Computel Systems Ltd., was appointed Vice-President, Management Systems, Royal Trustco Limited.

Principal Subsidiaries

Royal Trust Corporation of Canada

Directors

During the latter part of 1979, John M. Scholes was appointed a Director of this major subsidiary as well as a member of its Executive Committee of the Board of Directors.

Officers

Effective January 1980, the following senior appointments were made in Royal Trust Corporation of Canada: John M. Scholes, President and Chief Executive Officer; John H. Matthews, Senior Executive Vice-President and Chief Operating Officer; Roland B. Breton, Group Vice-President, Regional Operations; and Ian D. Sneddon, Group Vice-President, Marketing and Moneyservice. Earlier in 1979, G. Roger Otley was appointed Group Vice-President, Investments and Trust Services, and Philip A. Armstrong, David R. Cooper, Nicholas R. D. Dennys, Stephen M. Ferris, George F. Publicover and Andrew M. Wyszowski were appointed Vice-Presidents of Royal Trust Corporation of Canada.

Advisory Boards

Reflecting the expansion of our business in British Columbia we established a new Advisory Board in Kelowna, British Columbia. The first members of the new board are Ronald L. Fowler, Chairman and Branch Manager; J. Bruce Smith, our long-time Kelowna advisor to the Company and until now a member of the Vancouver Advisory Board; Ian M. Greenwood; Dr. Harold R. Henderson; John D. Hindle; and Richard J. Stewart. We thank these gentlemen for accepting our invitation to serve the Company and look forward to their support in the years ahead.

There have been a number of changes in other Advisory Boards. In May 1979, we were saddened by the death of W. Logan Millman, a member of the Sarnia Board since 1969. Ralph D. Perry, E. Frank McCordick, Clifford A. Curtis and C. Reginald Tanner retired under the mandatory retirement age provision from the Victoria, St. Catharines, Kingston and Vancouver Boards, respectively. The following new Advisory Board members have been appointed: Robert G. Black, Calgary; Charles H. Knight, Regina; John J. MacKay, Kingston; George Perley-Robertson, Ottawa; and Jack J. Sharp, Regina.

The Royal Trust Company

During 1979 we welcomed Jean A. Béliveau, Senior Vice-President, Corporate Affairs, Club de Hockey Canadien Inc., Jean Fournier, retired public servant, and Pierre Taschereau, Chairman, Air Canada, to the Board of Directors of this subsidiary operation in the Province of Quebec. Charles E. Bélanger resigned from the Sherbrooke Advisory Board during the year.

Philip E. Johnston was appointed Vice-President, Montreal region and manager, Montreal Branch.

Other Subsidiaries

The Royal Trust Company Mortgage Corporation

Keith C. Pilley was appointed Executive Vice-President in July 1979.

Computel Systems Ltd.

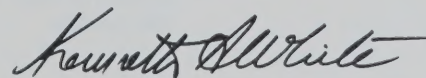
Edward P. Cannon was appointed President and Chief Executive Officer in July 1979. Bruce D. Campbell, Ian G. Michie, G. Roger Otley and Mr. Cannon joined the Board of that company.

European Region

W. Geoffrey Kneale was appointed a Director of our London (England) and Jersey (C.I.) subsidiaries. Edward R. M. Gawne, a Director of the Isle of Man bank, was elected Chairman of its Board of Directors.

Florida

During the year, F. Lee Abbitt was elected to the Board of Directors of Royal Trust Bank of St. Petersburg. The following resigned from the Boards of the banks indicated: Elda Santiero Martinez, Miami; G. Edward Kattel, Miami; Guillermo R. Bermello, Miami; John Hullett, Orlando.



Kenneth A. White
Chairman, President and
Chief Executive Officer



A fishing shack stands like a noble sentinel on the shores of the Atlantic at Blue Rocks, Nova Scotia.

More and more Canadians, from all walks of life, are disproving the old impression that trust companies existed only to serve the wealthy. Almost 400,000 Canadians now have savings and chequing accounts at the 116 Royal Trust money service offices across the country.





John M. Scholes
Senior Executive Vice-President and
Chief Operating Officer

As you are aware, the operating environment for the trust industry in Canada during 1979 was characterized by rapidly rising interest rates, growing inflationary cost pressures and highly competitive market conditions. The five increases in the Bank rate which occurred during the year brought interest rates to record levels and narrowed profit spreads severely in financial intermediary operations, particularly in the fourth quarter.

In this difficult environment, the strong performance of our traditional trust and real estate sales operations, together with our geographical diversification in the United States and overseas, helped cushion the effects of narrowing interest spreads on our overall profitability.

Our 1979 net income was \$1.70 per share compared to \$1.81 per share in 1978 for approximately the same number of shares outstanding.

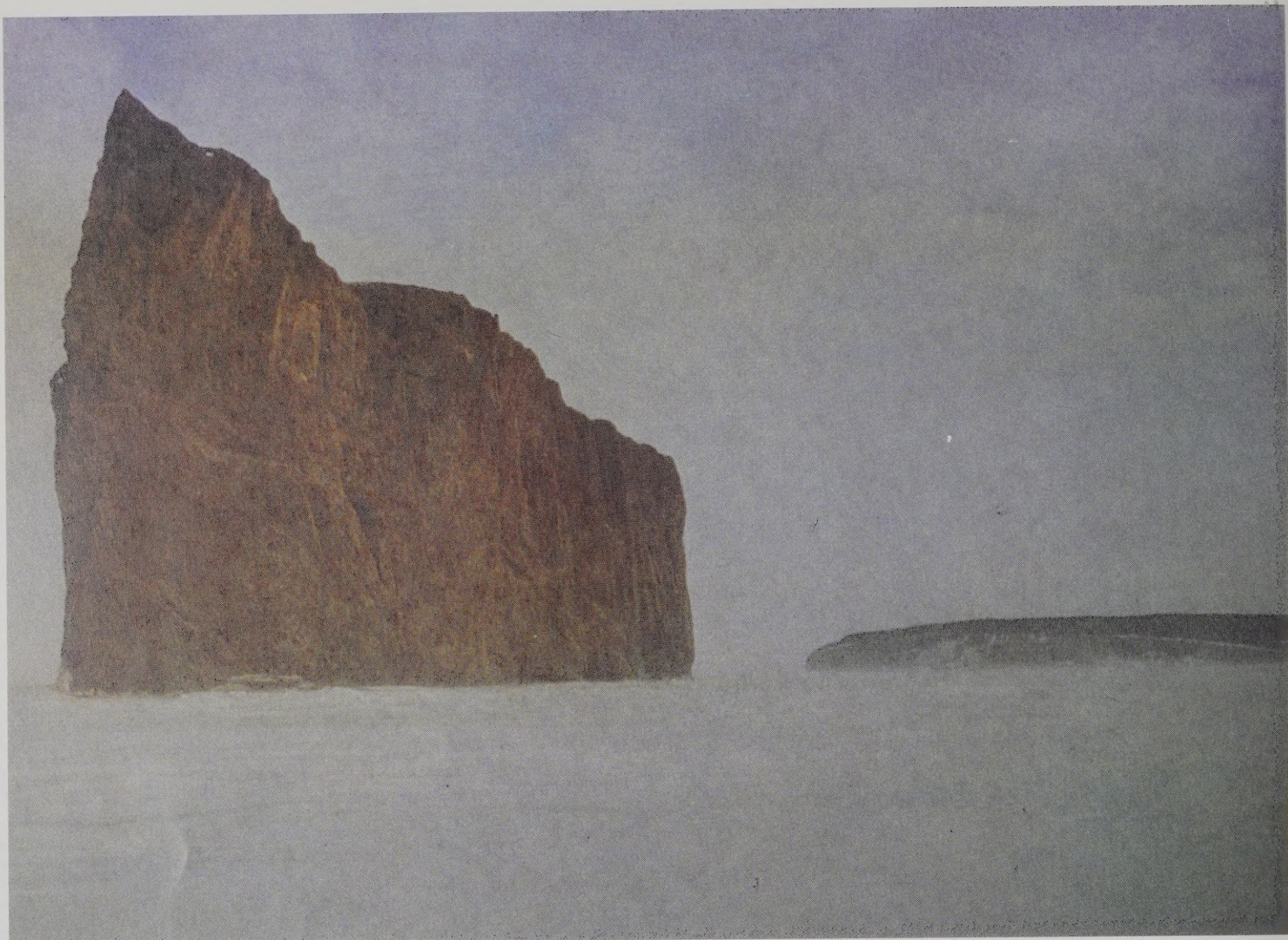
The growth of our deposits during the year was \$1.1 billion and our total balance sheet is now in excess of \$7 billion. Assets under administration increased to nearly \$25.8 billion.

Trust Functions

During the year we continued our determined efforts to improve the profitability of our trust services and to increase the volume of new business obtained from all the trust operations traditionally the cornerstone of our operations. Our achievements to that end are reflected in a steady increase in gross fee income and wider profit margins despite the labour-intensive aspect of this function and the impact of inflation.

Trust and other fiduciary assets under administration increased to \$18.7 billion, a growth of 11% in the year. Although our services are becoming more diversified, we remain very much a trust company, acting on behalf of successive generations as executor and trustee as well as the custodian and manager of investments.

In the Personal Trust function, active growth of the Self-Directed Retirement Savings Plan together with higher asset values produced a most satisfactory increase of 19% in gross fee income.



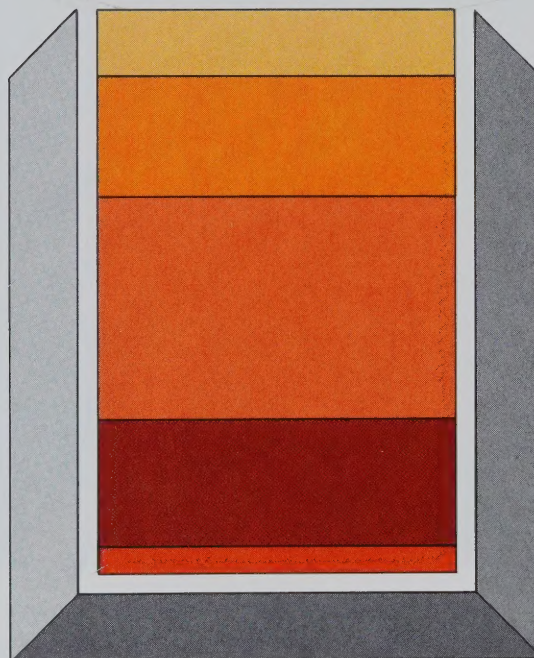
The magnificence of Percé Rock shows through the mists on the Gaspé shore of Quebec near the entrance to the St. Lawrence.

Throughout the years, Royal Trust has been involved in the financing of a number of new developments in Canada. The M.V. Arctic (pictured here), the ice-breaking bulk carrier launched in 1978, is owned by Royal Trust and leased to Canarctic Shipping Company Limited.



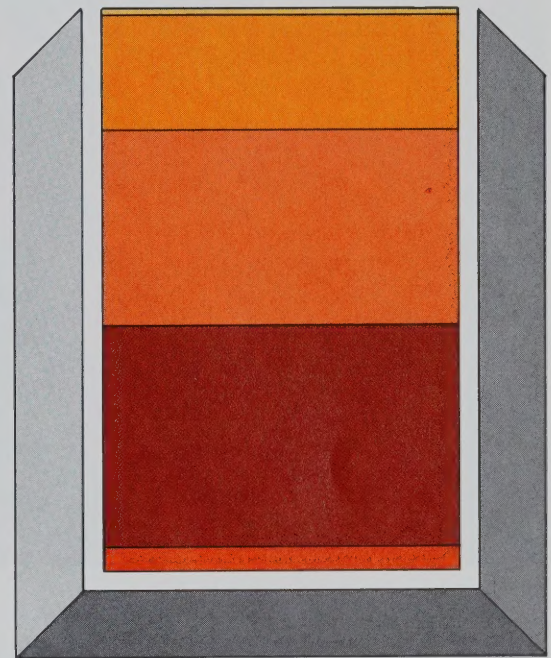
In the Pension Trust area, inflationary pressures contributed to the growing cash flow into corporate pension plans. Pension assets under administration increased 11.8% or \$1.3 billion and revenues increased by 14%. The need for pension funds to find new investment outlets, to supplement traditional securities and mortgages, encouraged us to develop innovative investment vehicles for these funds. We expect to have a pooled real estate fund in operation early in 1980. This will provide greater opportunity for the smaller pension trust funds to participate in real property investment. R.T. First Pension Properties, which was launched in 1978, reached \$17.4 million by year end 1979.

While markets in debt securities were suffering an erosion of capital last year, Canadian equity markets, stimulated largely by a phenomenal rise in energy related issues, moved to record levels. Our strategy has been, for some time, to buy such equities in pension trust portfolios. As a result, our Classified Canadian Equity Pool had a total return of 42% last year. These results will rank this fund as one of the better performing pooled equity funds in Canada. The same portfolio strategy was applied to individually managed pension trust portfolios under Royal Trust care.



Geographical Distribution of Income 1979

Atlantic	4.7%
Quebec	22.2%
Ontario	39.2%
Western Canada	21.8%
Foreign	12.1%



Geographical Distribution of Income 1969

Atlantic	4.8%
Quebec	39.4%
Ontario	34.4%
Western Canada	20.3%
Foreign	1.1%



Autumnal colors cast a golden glow over the rolling farmlands of Ontario.

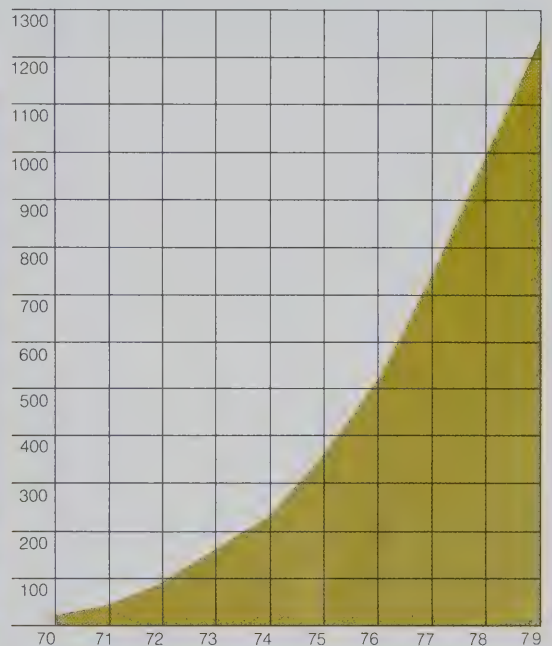
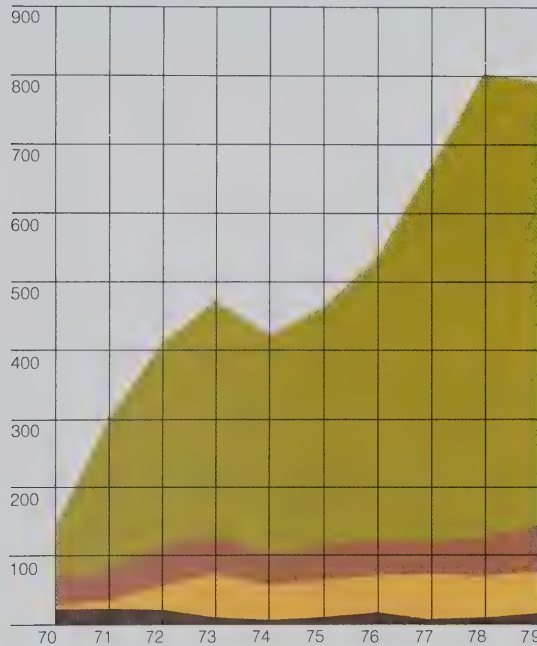


Indicative of interest in the energy field is financial participation by Royal Trust in a natural gas exploration program on Lake Erie by Anschutz (Canada) Exploration Ltd.

In the Corporate Trust area, the greatly increased activity in the Canadian stock market saw certificate issuing fees rise by 19% over 1978. Again, in 1979, we acted as depositary during several major take-over operations which resulted in significant revenues. The unsettled conditions in the debt markets saw very few new bond issues coming to market and resulted in lower fees from this part of the operation.

Mortgages

Through our mortgage program, a most important outlet for investments in Canada, Royal Trust helped more than 25,000 Canadians to finance homes in 1979. Despite strong competition and a decreased supply, the value of all new mortgages placed in 1979 was \$1.26 billion. We now administer almost \$7 billion worth of mortgages, held in our own and clients' accounts.



Managed Investment Funds (Millions of Dollars)

Royal Trust offers to the public participation in four investment funds:

- A – for American securities
- B – for bonds
- C – for Canadian securities and
- M – for Mortgages

Currently, there are some 126,000 participants in these funds, many of whom are on a monthly subscription plan.

- A Fund
- B Fund
- C Fund
- M Fund

Tax Benefit Plans (Millions of Dollars)

Royal Trust offers several distinct Registered Retirement Savings and Registered Home Ownership Plans to Canadian taxpayers. Total participants in these tax sheltered savings plans now number some 220,977.



A striking scene from the Prairie provinces, where a wheat field stretches to the horizon to meet the blue-grey sky.

Canadians from coast-to-coast buy and sell homes with assistance from Royal Trust personnel at our 164 real estate offices. Mortgage financing for the purchase of homes is provided by the company to thousands of Canadians annually.



Real Estate

Our Real Estate function continued to expand during 1979. Eight new offices in communities in Quebec, Manitoba, Alberta and British Columbia were opened for business; the number of real estate staff rose to 3,613 from 3,288 in 1978 and the commission income increased by 17 per cent. It was a formative year for the national network of our Industrial, Commercial and Investment Division, which now, with headquarters in Toronto, has branches in Montreal, Quebec City, Ottawa, Winnipeg, Calgary, Edmonton and Vancouver. We also expanded our appraisal and other real estate professional services. Our relocation service again proved extremely attractive with many corporate and individual clients moving throughout Canada.

Moneyservices

Our branch expansion program resulted in nine new moneyservice offices being opened during 1979 at Rimouski, Ottawa, Cambridge, Leamington, Mississauga, Edmonton, Medicine Hat, Kamloops and Vancouver. Our personal loan program was extended to all 116 moneyservice offices open across Canada at year end. Savings and chequing deposits increased to about 400,000 accounts by the end of 1979, an increase of 16% over 1978. A Daily Interest Savings Account was among new services offered.

This particular function felt the brunt of the squeeze in investment margins attributable to a dramatic rise in interest rates through the year.

Florida

During 1979, the Royal Trust Bank Corp. enhanced its reputation as a financial institution with one of the most consistent asset and deposit growth records in the State. Headquartered in Miami, with 17 locations throughout the seven major counties of Florida, the bank holding company increased in total assets by 16% to \$345 million (U.S.), and in total deposits by 17% to \$298 million (U.S.). Continued asset and profit growth is anticipated for 1980 and negotiations are under way for the acquisition of the Community Bank of Pinellas. Community Bank has assets of approximately \$320 million (U.S.).

European Region

In the European region, continued growth was reflected in a general broadening of our banking activities, together with relocation in new offices on Cannon Street in London and to Royal Trust House on Lansdowne Road in Dublin.

Our London company maintained its profitability in a difficult economy, hampered by record interest rates and high inflation. However, with a strong currency and growing oil self-sufficiency in the United Kingdom, the opportunities for 1980 appear promising. A positive factor in the development of our banking and investment services is the removal of Exchange Controls in the United Kingdom.

In Dublin, the name of the company was changed to Royal Trust Bank (Ireland) Limited, in recognition of its banking activity and a new subsidiary, Royal Trust Financial Services, was formed to conduct the trust, investment and insurance broking services of the company. Also in Ireland, the branch in Cork moved to larger quarters.

Again in 1979, our operations in Jersey, Channel Islands, achieved a record in profitability. Royal Trust Bank (Jersey) Limited, was formed to expand the specialized range of banking services for local and international, personal and corporate clients. The existing trust company in Jersey will continue to offer investment, trustee and financial management services.

Royal Trust Bank (Isle of Man) showed steady growth during 1979, improving its profitability and broadening its range of financial service to local residents and to international investors.

Computel Systems

Despite continued rapid growth in demand for computer services, conditions in the service bureau industry remain intensely competitive. This, together with reduced government spending in Ottawa, severely affected Computel's 1979 results. During the year Computel acquired SDI Associates Ltd., Toronto, a consulting and computer services marketing firm offering a wide range of resources primarily to financial institutions. The combined companies provide us with an excellent pool of professional talent in the computer field.



Alberta is many splendid things: energy resources, remarkable ranch and farm lands and this view of the foothills at Waterton Lakes National Park.

From its base at Ottawa, Computel Systems Ltd., our computer subsidiary, provides data processing services on its national network to clients across Canada.



Costs and Profitability

The continuing high level of inflation during 1979 had a strong impact on rising costs on all expense categories of our business. However, important projects which accounted for a significant portion of the increase included branch expansion in both moneyservice and residential real estate; the creation of a truly national Industrial, Commercial and Investment property realty organization; the introduction of a consumer loans service across Canada; and the continued development of advanced computer systems. At our Computel subsidiary, the rise in expenses reflected our Saudi Arabian operation now in place for a full calendar year and the acquisition of SDI Associates Limited in August.

In addition, during 1979 we initiated further employee benefits, including a comprehensive dental plan.

While we expect the projects we have put in place during 1979 to increase profits in the future, we are well aware that the continuing

inflationary environment and narrow spreads in our financial intermediary operations will require vigilance with respect to costs. We have already instituted strong cost control measures and have formed a profitability planning group charged with the responsibility of assisting senior management in improving the productivity and profitability of our operations. We expect to see positive results during 1980 and the rate of increase in non-interest expenses will be down significantly from 1979.

Staff

As a Company serving an ever growing segment of the public, it is important that we have a well trained and competent staff. We are continuing to develop and offer a broad variety of in house training programs as well as using those provided by The Trust Companies Institute to maintain and improve our ability to provide quality services to our clients.

It is obvious that in a business such as ours, our employees are our most important resource and the contribution of our 9,134 staff members in a difficult year is gratefully acknowledged.



**Real Estate Sales
Ten Year Analysis**
(Millions of Dollars)

John M. Scholes
Senior Executive Vice-President and
Chief Operating Officer



Snow-capped mountains edge close to the rim of the Pacific at Canada's western shore in British Columbia.

In planning for retirement, many generations of Canadians have used the personal financial services of Royal Trust. Even more emphasis will be given to our retirement planning services in the future.



Financial Review

General

The consolidated financial statements presented in this report indicate a substantial growth in our assets during 1979. However, the net operating income for 1979 of \$27,234,000 represented only a modest increase over 1978. This lack of earnings growth was chiefly the result of lower investment margins (investment income less interest paid) in our deposit taking operations as more fully explained under "Investment Income".

In calculating earnings applicable to common shares, a deduction must be made for dividends on preferred shares issued by private placement late in 1979. On the basis of net operating income, common share earnings for 1979 were \$1.59 compared with \$1.65 for 1978. On the basis of net income, after gains on investments and other extraordinary items, common share earnings for 1979 were \$1.70 compared with \$1.81 for 1978.

Fees and Commissions

Fee income increased in the personal and pension trust areas as well as for our managed investment funds. Improved stock market conditions accounted for some of the increases as most fees are based upon the value of underlying assets. Real estate sales continued to increase with sales commissions, net of compensation to sales agents and brokers, increasing by 14%.

Fee income from stock transfer and mortgage services remained at their 1978 levels. Mortgage disbursement of \$1.4 billion for the year was the same as in 1978.

Most of the increase in income from computer services arose from the acquisition, by our subsidiary, Computel, of SDI Associates Limited in August 1979 and the inclusion of revenue from Computel's contract in Saudi Arabia for a full year in 1979 compared with a half year only in 1978.

Investment Income

While investment income increased by over 30%, our interest expense increased nearly 36%. The result was an increase in net investment income of only 10%. The relatively larger increase for interest expense was due to our deposit taking operations, where, in common with other Canadian financial intermediaries, the rising cost of short term deposits was not offset simultaneously by higher yields on assets.

Comparative Quarterly Analysis

1979-1978

(Dollars in Thousands)

Fees and Commissions		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Trust and other Fiduciary	1979	\$16,021	\$16,373	\$15,300	\$17,048	\$ 64,742
	1978	13,604	14,187	14,059	16,223	58,073
	Increase	18%	15%	9%	5%	11%
Real Estate net of commissions paid	1979	\$ 5,862	\$10,996	\$14,024	\$ 9,935	\$ 40,817
	1978	5,374	9,819	11,953	8,606	35,752
	Increase	9%	12%	17%	15%	14%
Computer Services	1979	\$ 5,082	\$ 5,113	\$ 6,132	\$ 6,928	\$ 23,255
	1978	3,478	3,572	4,795	4,954	16,799
	Increase	46%	43%	28%	40%	38%
Investment Income less interest paid	1979	\$24,784	\$28,116	\$28,937	\$28,539	\$110,376
	1978	22,688	24,081	25,834	27,389	99,992
	Increase	9%	17%	12%	4%	10%
Total Income	1979	\$51,749	\$60,598	\$64,393	\$62,450	\$239,190
	1978	45,144	51,659	56,641	57,172	210,616
	Increase	15%	17%	14%	9%	14%
Operating Expenses	1979	\$45,108	\$47,964	\$48,683	\$54,042	\$195,797
	1978	36,948	38,691	41,813	44,815	162,267
	Increase	22%	24%	16%	21%	21%
Operating Income after taxes and minority interest	1979	\$ 4,285	\$ 7,723	\$ 9,130	\$ 6,096	\$ 27,234
	1978	4,486	6,923	7,926	7,004	26,339
	Increase (Decrease)		12%	15%	(13%)	3%

Expenses

Expenses, excluding interest and commissions to real estate brokers and salesmen—which are directly related to income—increased by \$33.5 million, or 21%. Approximately one-third of this increase resulted from the expansion of offices and services, the introduction of additional staff benefits and the acquisition of a new computer service subsidiary.

Income before taxes

Of interest to shareholders and investors will be the analysis of our pre-tax operating earnings by major categories of business disclosed by Note 4 "Segmented Information", on page 25.

Income Taxes

The reduction in the effective tax rate from 45% to 36% together with a decrease in operating income before taxes resulted in a decline in taxes by \$6 million, or 27%. The reduction in the effective tax rate resulted from relatively larger holdings of non-taxable securities.

Other Additions (Deductions)

Net gains on investments increased by \$3.9 million. This represents a gain of \$5.8 million for securities less an increased provision of \$1.9 million for mortgage losses. Full provision has been made for estimated losses on all mortgages in default. Losses on repossessed properties increased as a consequence of weak market conditions in certain areas in Canada.

Net Income

The Company's consolidated net income for 1979 was slightly greater (by \$166,000) than for 1978. After preferred dividends paid and accrued to December 31, 1979 of \$1.9 million, net operating income applicable to common shares was \$25.3 million, or \$1.59 per share, a decrease of 4%. After investment gains and extraordinary items, net income applicable to common shares was \$27.1 million or \$1.70 per share, a decrease of 6%. The preferred shares have been outstanding only since August 1979 and therefore there is no similar deduction from the 1978 operating results.

Shareholders' Statistics

	1970	1971
Number of shareholders	5,107	5,009
Average shares outstanding	11,357,000	12,571,000
Number of shares traded	1,264,000	1,349,000
Price range — high	\$ 11¼	\$ 15
— low	\$ 8⅜	\$ 10⅝
— close	\$ 10⅝	\$ 13½
Net operating income per share	\$ 0.60	\$ 0.80
Dividends per share	\$ 0.36	\$ 0.38
Price earnings ratio — high	19	19
— low	14	13

Geographical Breakdown of Shareholders and Shareholdings

	No. of Shareholders	No. of Shares	Percentage of Ownership
Canada	8,478	15,801,662	98.79
United States	163	69,150	0.43
United Kingdom	116	104,745	0.66
Other Countries	46	19,807	0.12
Total Non-Resident	325	193,702	1.21
Total	8,803	15,995,364	100.00

On the basis of net income, the Company's return on average shareholders' equity applicable to common shareholders represents a return of 15.1% compared with 17.4% for 1978.

Balance Sheet

Sources of the balance sheet growth of \$1.2 billion are disclosed in the Statement of Changes in Financial Position. Increases for deposits and borrowings include \$930 million in Canada, \$155 million in Europe and \$46 million in United States. The 1979 total year-end deposits and borrowings are: Canada, \$5.8 billion; Europe, \$470 million; United States, \$346 million; and sundry \$63 million.

The summaries of balance sheet liquidity shown on page 19 of this report show that the company has maintained its traditionally liquid position with 24% in cash, short term bank deposits and marketable securities. Details of "Securities" are also provided on page 19.

Dividends

Dividends paid in 1979 totalled 92 cents per common share compared with 81 $\frac{3}{4}$ cents per share in 1978. In 1979 provision was made to allow common shareholders to receive their dividend in cash or in shares.

1972	1973	1974	1975	1976	1977	1978	1979
5,608	6,485	6,521	6,446	7,161	7,799	8,518	8,803
12,957,000	13,587,000	13,772,000	13,820,000	14,661,000	15,911,000	15,937,000	15,981,000
1,205,000	1,031,000	1,256,000	1,420,000	1,552,000	1,988,000	2,695,000	2,679,000
\$ 19 $\frac{1}{8}$	\$ 21 $\frac{5}{8}$	\$ 21 $\frac{1}{4}$	\$ 19 $\frac{3}{8}$	\$ 18 $\frac{5}{8}$	\$ 14	\$ 15	\$ 17 $\frac{1}{2}$
\$ 13 $\frac{1}{2}$	\$ 16 $\frac{3}{8}$	\$ 12 $\frac{3}{4}$	\$ 14	\$ 11 $\frac{5}{8}$	\$ 10 $\frac{7}{8}$	\$ 11 $\frac{3}{4}$	\$ 13
\$ 19	\$ 19 $\frac{5}{8}$	\$ 15 $\frac{1}{2}$	\$ 14 $\frac{7}{8}$	\$ 13 $\frac{1}{8}$	\$ 12 $\frac{3}{4}$	\$ 13 $\frac{1}{2}$	\$ 14 $\frac{1}{8}$
\$ 0.96	\$ 1.05	\$ 1.01	\$ 1.37	\$ 1.34	\$ 1.16	\$ 1.65	\$ 1.59
\$ 0.45	\$ 0.60	\$ 0.68	\$ 0.68	\$ 0.69	\$ 0.72	\$ 0.82	\$ 0.92
20	21	21	14	14	12	9	11
14	16	13	10	9	9	7	8

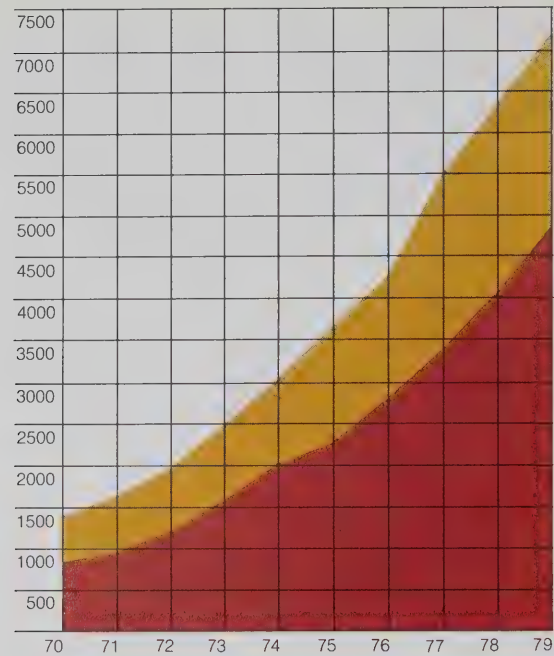
Note

(i) Adjusted for stock split in 1973 and share exchange in 1978.

(ii) "V-Day" valuation prices for Canadian capital gains tax purposes:

Original price established by Department of National Revenue December 22, 1971	\$37.50
After March 14, 1973 stock split	18.75
After December 1, 1978 share exchange	14.06

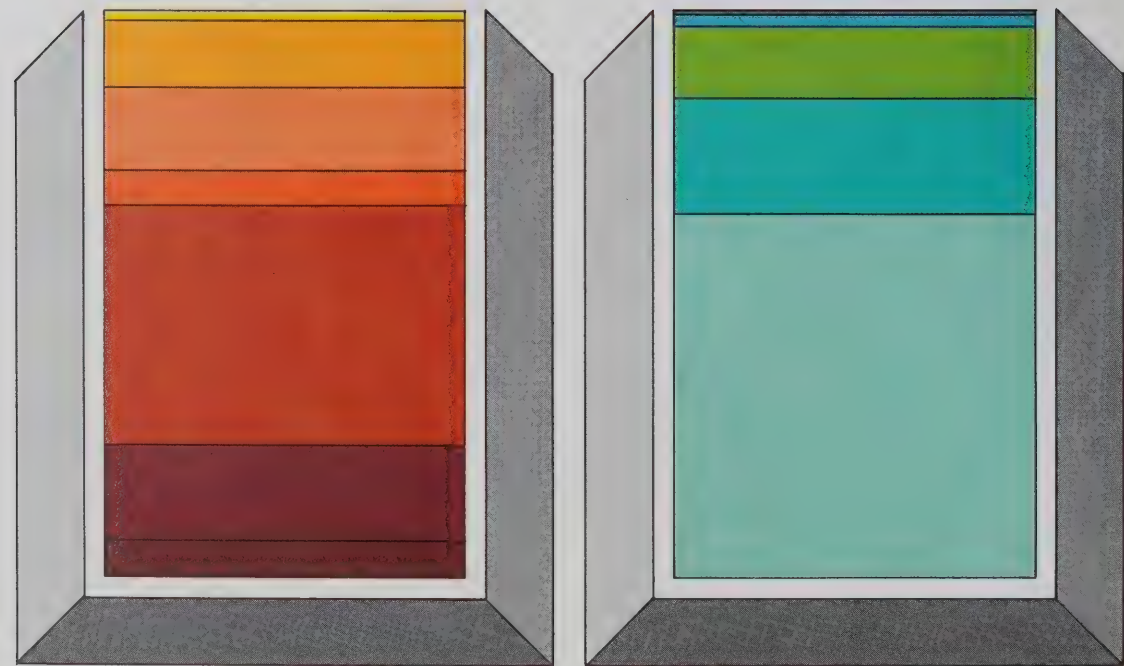
Mortgages under Administration
as at December 31, 1979



Ten Year Growth
(Millions of Dollars)

- Own and Guaranteed Account
- Pension and other Trust Clients

In 1979, the Company disbursements for mortgages amounted to \$1.4 billion of which 84% was directed to residential accommodation. Included in the \$7.2 billion of mortgages under administration are some 153,486 individual properties.



Geographical Distribution

- Maritimes – 6.1%
- Quebec – 16.9%
- Ontario – 41.8%
- Manitoba and Saskatchewan – 6.1%
- Alberta – 14.0%
- B.C. – 12.7%
- Elsewhere – 2.4%

Type of Collateral

- House Loans – 63.5%
- Other Residential – 20.6%
- Commercial – 12.9%
- Industrial – 2.8%
- Others – 0.2%

Maturities of Investments (Dollars in thousands)	Cash, Bank Deposit Receipts and Treasury Bills	Securities	Mortgages	Other Loans	Receivables under Equipment Leases	Total	
December 31, 1979							
Due within 1 year	\$810,371	\$251,556	\$ 729,900	\$192,830	\$ 7,096	\$1,991,753	28.7%
1 to 5 years	22,660	265,324	3,788,412	132,278	43,083	4,251,757	61.2
6 to 10 years		114,053	169,841	6,601	62,446	352,941	5.1
11 to 15 years		3,063	37,852	3,798	17,761	62,474	0.9
16 to 20 years		5,094	44,098			49,192	0.7
Beyond 20 years		27,657	35,938	1,796		65,391	0.9
Preferred and Common Shares		177,432				177,432	2.5
	\$833,031	\$844,179	\$4,806,041	\$337,303	\$130,386	\$6,950,940	100.0%

December 31, 1978							
Due within 1 year	\$766,193	\$210,043	\$ 665,969	\$163,770	\$ 6,732	\$1,812,707	31.7%
1 to 5 years	1,212	197,508	3,108,799	57,046	31,251	3,395,816	59.4
6 to 10 years		32,543	179,759	3,461	53,569	269,332	4.7
11 to 15 years		6,803	26,679		43,608	77,090	1.4
16 to 20 years		6,346	22,582		1,588	30,516	0.5
Beyond 20 years		7,425	18,534			25,959	0.4
Preferred and Common Shares		108,440				108,440	1.9
	\$767,405	\$569,108	\$4,022,322	\$224,277	\$136,748	\$5,719,860	100.0%

Maturities of Deposits and Borrowings (Dollars in thousands)	Deposit Certificates	Savings and Chequing Accounts	Short Term Notes	Debentures	Total	
December 31, 1979						
On demand and due within 1 year	\$2,278,651	\$1,032,894	\$137,359	\$ 45,117	\$3,494,021	52.1%
1 to 5 years	2,826,751		36,571	156,802	3,020,124	45.0
6 to 10 years	70,418		2,612	55,700	128,730	1.9
11 to 15 years	41,728			12,900	54,628	0.8
16 to 20 years				6,000	6,000	0.1
21 to 25 years	3,724				3,724	0.1
	\$5,221,272	\$1,032,894	\$176,542	\$276,519	\$6,707,227	100.0%

December 31, 1978						
On demand and due within 1 year	\$1,502,523	\$862,445	\$119,390	\$ 25,022	\$2,509,380	45.2%
1 to 5 years	2,678,726		46,111	158,873	2,883,710	51.9
6 to 10 years	26,977			48,932	75,909	1.4
11 to 15 years	49,174			31,784	80,958	1.4
16 to 20 years				7,188	7,188	0.1
21 to 25 years						
	\$4,257,400	\$862,445	\$165,501	\$271,799	\$5,557,145	100.0%

Securities (Dollars in thousands)	1979		1978	
	Cost	Market	Cost	Market
Bonds of, or guaranteed by, governments of Canada, U.S.A. and U.K.	\$147,488	\$139,256	\$117,945	\$113,283
Bonds of, or guaranteed by, other governments	202,373	201,948	166,133	165,016
Obligations of corporations	316,886	317,713	176,590	178,285
Preferred shares	132,812	124,533	63,058	63,599
Common shares	44,620	51,036	45,382	49,593
	\$844,179	\$834,486	\$569,108	\$569,776

**Consolidated
Balance Sheet**

Royal Trustco Limited

Assets

as at December 31

1979

1978

Investments

(including assets held in trust for Guaranteed
Account—Note 5)

Cash, bank deposit receipts and treasury bills	\$ 833,031,000	\$ 767,405,000
Securities—at cost (Market 1979 \$834,486,000 1978, \$569,776,000)	844,179,000	569,108,000
Mortgages	4,806,041,000	4,022,322,000
Other loans	337,303,000	224,277,000
Receivables under equipment leases, net of unearned income (Note 6)	130,386,000	136,748,000
	\$6,950,940,000	\$5,719,860,000

Other Assets

Accounts receivable	\$ 25,907,000	\$ 28,432,000
Premises, equipment and leasehold improvements at cost less accumulated depreciation and amortization	54,520,000	53,231,000
Unamortized debenture discount and underwriting commissions	1,078,000	1,488,000
Investment in affiliates	9,150,000	9,420,000
Excess of cost of investment in subsidiaries over acquired equity in net assets	24,339,000	24,835,000
	\$ 114,994,000	\$ 117,406,000
	\$7,065,934,000	\$5,837,266,000

Approved by the Board
Kenneth A. White
Conrad F. Harrington
Directors

Liabilities and Shareholders' Equity
as at December 31

1979

1978

Deposits and Borrowings (including deposits accepted
for Guaranteed Account—Trust Funds for Investment—
Note 5)

Deposit certificates	\$5,221,272,000	\$4,257,400,000
Savings and chequing accounts	1,032,894,000	862,445,000
Short term notes	176,542,000	165,501,000
Debentures (Note 6)	276,519,000	271,799,000
	\$6,707,227,000	\$5,557,145,000

Other Liabilities

Income taxes payable	\$ 1,934,000	\$ 2,691,000
Miscellaneous	18,680,000	24,733,000
Mortgages payable (Note 7)	17,339,000	17,796,000
	\$ 37,953,000	\$ 45,220,000

Deferred Income Taxes

	\$ 68,061,000	\$ 56,042,000
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Minority Interest in Subsidiary Companies

	\$ 5,602,000	\$ 5,595,000
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Shareholders' Equity

Capital stock (Note 9)		
Common	\$ 90,801,000	\$ 90,532,000
Preferred	59,043,000	
Retained earnings	97,247,000	82,732,000
	\$ 247,091,000	\$ 173,264,000

	\$7,065,934,000	\$5,837,266,000
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Auditors' Report

Clarkson Gordon
Chartered Accountants

To the Shareholders of Royal Trustco Limited:

We have examined the consolidated balance sheet of Royal Trustco Limited as at December 31, 1979 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at December 31, 1979 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Clarkson Gordon

Chartered Accountants

Toronto, Canada,
January 29, 1980.

**Consolidated Statement
of Income**

Royal Trustco Limited

for the year ended December 31

1979

1978

Income

Fees and commissions from

Estates, trusts and agencies	\$ 23,554,000	\$ 19,763,000
Real estate sales and property management	125,236,000	107,009,000
Stock transfer agencies and bond trusteeships	6,939,000	6,972,000
Pension trusts and institutional accounts	10,905,000	9,534,000
Mortgage administration	9,162,000	9,167,000
Managed investment funds	11,365,000	9,127,000
Computer services	23,255,000	16,799,000
Miscellaneous	2,817,000	3,510,000
Total fees and commissions	\$213,233,000	\$181,881,000

Investment income from

Short term deposits	\$112,346,000	\$ 74,175,000
Securities and equipment leases	77,291,000	44,399,000
Mortgages	458,047,000	381,204,000
Other loans	33,408,000	20,540,000
Total investment income	\$681,092,000	\$520,318,000
Total income	\$894,325,000	\$702,199,000

Expenses

Interest paid	\$570,716,000	\$420,326,000
Salaries	88,973,000	71,876,000
Pension and other staff benefits	15,820,000	13,233,000
Commissions to real estate brokers and salesmen	84,419,000	71,257,000
Premises (net after rental income)	22,561,000	19,583,000
Computer and office equipment	20,503,000	15,951,000
Communications	8,896,000	7,316,000
Stationery	5,735,000	5,066,000
Advertising	11,357,000	9,592,000
Amortization of goodwill	1,232,000	1,388,000
Other	20,720,000	18,262,000
Total expenses	\$850,932,000	\$653,850,000

Income before income taxes	\$ 43,393,000	\$ 48,349,000
Income taxes — current	\$ 1,902,000	4,205,000
— deferred	13,869,000	15,771,000
Net income before interest of minority shareholders	\$ 27,622,000	\$ 26,618,000
Minority interest	388,000	279,000

Net Operating Income **\$ 27,234,000** **\$ 26,339,000**

Other additions (deductions)

Net gains (losses) on investments including provision for losses	940,000	(2,941,000)
Foreign exchange adjustments	(1,052,000)	3,808,000
Net gains on disposal of premises	91,000	1,103,000
Income taxes recoverable applicable to above items	1,795,000	533,000

Net Income **\$ 29,008,000** **\$ 28,842,000**

Earnings after preferred dividend (\$1,889,000 — 1979)

Net operating income

(per share 1979 — \$1.59 1978 — \$1.65) * **\$ 25,345,000** **\$ 26,339,000**

Net income

(per share 1979 — \$1.70 1978 — \$1.81) * **\$ 27,119,000** **\$ 28,842,000**

*Earnings per share are based upon weighted monthly average shares outstanding: 15,981,000 for 1979 and 15,937,000 for 1978.

**Consolidated Statement
of Retained Earnings**

for the year ended December 31	1979	1978
Balance January 1	\$ 82,732,000	\$ 68,241,000
Net income for the year	29,008,000	28,842,000
Premium on sale of preferred shares (Note 9)	772,000	
	\$ 112,512,000	\$ 97,083,000
Deduct: Dividends paid	15,800,000	13,151,000
Expenses of share exchange	(535,000)	1,200,000
Balance December 31	\$ 97,247,000	\$ 82,732,000

**Consolidated Statement
of Changes in Financial
Position**

for the year ended December 31	1979	1978
Financial Resources Derived From		
Increase in deposits and borrowings	\$1,129,230,000	\$936,279,000
Operations		
Net income	29,008,000	28,842,000
Depreciation, deferred taxes and other non-cash items charged against net income	22,045,000	25,369,000
Shares subscribed under employees' stock option plan		743,000
Shares issued as stock dividends (Note 9)	269,000	
Net proceeds from sale of preferred shares (Note 9)	59,815,000	
	\$1,240,367,000	\$991,233,000
Financial Resources Applied To		
<i>Increase (Decrease) in Investments</i>		
Cash, bank deposit receipts and treasury bills	\$ 63,933,000	\$ 82,942,000
Securities	275,071,000	156,940,000
Mortgages	755,940,000	642,437,000
Other loans	113,026,000	71,110,000
Receivables under equipment leases	(2,787,000)	(162,000)
	\$1,205,183,000	\$953,267,000
Dividends paid	15,800,000	13,151,000
Expenses of share exchange	(535,000)	1,200,000
Additions to properties (net)	7,635,000	9,205,000
Net assets acquired on acquisition of subsidiaries (Note 3)	6,748,000	2,546,000
Other—net	5,536,000	11,864,000
	\$1,240,367,000	\$991,233,000

1. Corporate Organization

Royal Trustco Limited, incorporated under the Canada Business Corporations Act, is the parent of the Royal Trust group of companies, the principal members of which are Royal Trust Corporation of Canada and The Royal Trust Company, its trust company subsidiaries in Canada, The Royal Trust Company of Canada (a U.K. corporation), Royal Trust Bank (Jersey) Limited, The Royal Trust Company of Canada (C.I.) Ltd. (in Jersey, the Channel Islands), Royal Trust Bank (Ireland) Limited, Royal Trust Bank (Isle of Man), Royal Trust Bank Corp. (in Florida), The Royal Trust Company Mortgage Corporation, Royal Trustco Mortgage Company, Computel Systems Ltd., The Bankers' Trust Company, Royal Agencies Ltd., Builders Financial Co. Limited, Place d'Armes Realty Co. Ltd., Doreal Investments Ltd. and The Royal Trust Company (International) Ltd.

2. Accounting Policies

(i) Principles of consolidation

All subsidiary companies are included in the consolidated financial statements with the exception of BM-RT Ltd. which is 50.1% owned by the Company and is referred to below under investment in affiliates.

(ii) Excess of cost of investment in subsidiaries over acquired equity in net assets.

The excess of cost of investment in subsidiaries over the acquired equity in their net assets is being amortized over 20 years, with the exception of banking subsidiaries in Florida which in accordance with U.S. banking practice is being amortized over 40 years.

(iii) Investment in affiliates

Investment in affiliates includes BM-RT Ltd. which is 50.1% owned by the Company. BM-RT Ltd. is adviser to the publicly held BM-RT Realty Investments, a real estate trust. BM-RT Ltd. serves as the official conduit for funding the operations of the trust and as such its assets consist almost entirely of funds advanced to the trust from proceeds of the public issue of short term notes and debentures by BM-RT Ltd. The Company either directly or through its investment in BM-RT Ltd. is the owner of only 7.03% of the trust and the consolidation of the assets, liabilities and operations of the adviser with those of the Company would not be appropriate. The Company's share of earnings of BM-RT Ltd. has been included in fees from managed investment funds in the Consolidated Statement of Income.

Investments in other affiliates are recorded at cost and income is reflected in the Consolidated Statement of Income when realized through dividends paid by these affiliates.

(iv) Foreign currencies

All amounts in foreign currency have been translated into Canadian dollars at the rates of exchange prevailing at the end of the year. Adjustments arising on translation of currencies are included in the Consolidated Statement of Income.

(v) Depreciation policies

Premises, equipment and leasehold improvements are depreciated over their estimated useful lives, as follows:

On the straight-line method:

Premises of real estate subsidiary
(carrying value of \$20,756,000) — over 75 years
Leasehold improvements — over 5 years

On the declining balance method:

Equipment and other assets — at approximately 20% per year

Gains or losses on disposal of fixed assets are recognized in earnings. Depreciation of premises and equipment and amortization of leasehold improvements charged to operations amounted to \$6,487,000 in 1979 and \$5,997,000 in 1978.

(vi) Recognition of income and expenses

With the exception of fees for administration of estates, fees and commissions are recorded as earned. Estate administration fees are chargeable only upon the completion of preliminary administration and no provision is made in the Company's accounts for fees on work in progress. Debt discount and underwriting commissions are amortized over the term of the issues.

(vii) Leasing transactions

The Company's leasing operations consist principally of the leasing of aircraft, railway rolling stock and ships. The leases expire over a period of 11 to 15 years.

The equipment leasing transactions are recorded as loans receivable and rental payments are treated as blended payments of principal and interest to amortize such loans over the period of the lease.

Any gains resulting from the residual values of leased assets are reflected in earnings only when realized.

(viii) Gains and losses on investments

Loans and mortgages are considered as delinquent when payments of principal or interest are in arrears for 60 days at which time legal collection procedures usually are commenced. Delinquencies are reviewed monthly and, if required, an appropriate provision is recorded in the Company's accounts for estimated losses.

Gains and losses on securities, based on average cost, are recorded only upon sale of such securities except when there is a default to pay either principal or interest, or when there is what is considered to be a permanent decline in value, at which time a provision to cover estimated losses is recorded.

(ix) Income taxes

The Company follows the tax allocation method of accounting for income taxes. Under this method income taxes are calculated on the basis of reported income rather than on income currently taxable. The principal timing differences relate to the reserve for mortgages allowed under the federal and provincial Income Tax Acts, to equipment leases and to the losses of subsidiaries to be applied in future years.

No provision is made for withholding taxes or Canadian taxes which would be exigible on dividends from foreign subsidiaries, if it is intended that the earnings of the subsidiaries will be retained by them.

3. Subsidiaries

On July 1, 1979, the Company acquired an additional 90.1% of the common shares of Arteco Mortgage Investment Company (subsequently the name changed to Royal Trustco Mortgage Company). Previously the Company held 9.9%. On July 31, 1979, the Company through a subsidiary, Computel Systems Ltd., acquired all of the common shares of SDI Associates Limited.

The total consideration for these acquisitions was \$5,748,000 in cash and notes payable having a value of \$1,000,000. The results of operations of these subsidiaries have been included in the Consolidated Statement of Income from their dates of acquisition.

These transactions were recorded as follows:—

Total assets	\$31,506,000
Total liabilities	25,915,000
Net assets at fair value	\$ 5,591,000
Excess of cost of investment over acquired equity in net assets	1,157,000
Total consideration	\$ 6,748,000

4. Segmented information

The following summarizes operating results before income taxes, by major sources of income as determined by the directors of the Company:

	1979	
	Income	Pre-tax earnings
Financial intermediary services	\$681,092,000	\$28,278,000
Trust and other fiduciary services	66,026,000	10,107,000
Real estate sales	123,952,000	6,641,000
Computer services	23,255,000	(1,633,000)
	\$894,325,000	\$43,393,000
	1978	
	Income	Pre-tax earnings
Financial intermediary services	\$520,318,000	\$34,998,000
Trust and other fiduciary services	59,321,000	6,173,000
Real estate sales	105,761,000	6,282,000
Computer services	16,799,000	896,000
	\$702,199,000	\$48,349,000

The above categories relate to the income headings in the Consolidated Statement of Income as follows: "Financial intermediary services" represents investment income while "Trust and other fiduciary services" covers all fees and commissions except income from real estate sales and computer services which are shown separately.

5. Assets held under Administration and Guaranteed Account — Trust Funds for Investment

Trust accounts and guaranteed funds are kept separate from the Company's funds and are so earmarked in the books of the Company as to show the accounts to which they belong.

As at December 31, deposits and borrowings include \$5,997,428,000 for 1979 and \$4,886,954,000 for 1978 accepted for Guaranteed Account. Assets segregated to secure these deposits are as follows:

	1979	1978
Cash, bank		
deposit receipts		
and treasury		
bills	\$ 686,983,000	\$ 632,422,000
Securities	572,810,000	367,675,000
Mortgages	4,419,787,000	3,637,439,000
Other loans	187,462,000	112,670,000
Equipment leases	130,386,000	136,748,000
	<u>\$5,997,428,000</u>	<u>\$4,886,954,000</u>

6. Receivables under Equipment Leases

The Company has assumed the debt obligations of other parties involved in equipment lease financing. These obligations, amounting to \$84,761,000 as at December 31, 1979 (\$88,336,000 in 1978), are included in both Borrowings and Investments in the Consolidated Balance Sheet.

7. Mortgages Payable

The principal mortgage of \$17,297,000 bears interest at the rate of 6 $\frac{7}{8}$ % and matures April, 1994. Total principal instalments due in 1980 amount to \$295,000.

8. Commitments and Contingencies

(i) Outstanding commitments as at December 31, 1979 for future advances to be secured by mortgages are \$306,852,000 of which \$8,580,000 are for trust clients whose accounts are administered by the Company.

(ii) The Company has contractual obligations in respect of leases payable as follows:

	Total sums payable
Within 5 years	\$ 74,189,000
6 to 10 years	38,051,000
11 to 15 years	15,141,000
16 to 20 years	9,400,000
21 to 25 years	5,852,000
	<u>\$142,633,000</u>

\$10,834,000 of this amount relates to a partially owned subsidiary. Rents in 1979 were \$14,107,000.

(iii) A subsidiary is Trustee and Manager of Royal Trust M Fund, the purpose of which is the investment of the fund's assets in first mortgages on properties in Canada. It is anticipated that there will be ample cash and marketable securities available to cover the withdrawal by participants in the fund from time to time. However, should the withdrawals exceed the cash and marketable securities then available, the subsidiary has guaranteed to find a purchaser for such number of the mortgages held by the fund at a price not less than 95% of the value thereof as will realize sufficient funds to enable such withdrawals to be made.

As at December 31, 1979 total assets of Royal Trust M Fund aggregated \$652,522,000 including \$30,123,000 in bank deposits and interest receivable and \$622,399,000 in mortgages.

(iv) On December 18, 1979 the Company declared a dividend on common shares of \$0.23 to be paid on February 12, 1980 to shareholders of record January 23, 1980. The Company also declared a \$2.00 per share preferred dividend on December 18, 1979 to be paid on February 1, 1980 to shareholders of record January 31, 1980.

(v) On July 2, 1976 an action was instituted in the Supreme Court of Ontario against a subsidiary claiming damages in the amount of \$15,000,000 for breach of an alleged contract. The subsidiary has denied liability and has defended the action.

9. Capital Stock

(i) The Company's authorized capital consists of an unlimited number of no par value Class A and Class B common shares which are inter-convertible, and 1,000,000 \$8 cumulative redeemable no par value non-voting preferred shares. (See (iii) below for a proposed revision to authorized preferred shares.)

As of December 31, 1979, the issued capital consisted of an aggregate of 15,995,364 Class A and Class B common shares and 590,429 preferred shares.

(ii) As approved by the shareholders on March 8, 1979, the common share capital was reclassified to consist of Class A shares and Class B shares. The outstanding 15,977,649 common shares of the Company were reclassified as Class A common shares. These Class A shares are convertible into Class B common shares at the holder's option. In addition, Class B shares are convertible into Class A shares at the holder's option.

Each class of common shares has identical rights, privileges and conditions except that dividends declared on Class B shares are stock dividends of fully paid and non-assessable Class B shares. Stock dividends, when declared, are substantially equivalent in value to cash dividends contemporaneously declared on each Class A share on the basis of the average closing sale price as recorded on The Toronto Stock Exchange for the five trading days immediately preceding the dividend declaration date. During 1979, 17,715 Class B shares were issued as stock dividends for a value of \$269,000.

(iii) In 1978 the Company issued 710,429 preferred shares for a consideration of \$71,043,000 to The Royal Trust Company which at the time was the parent of the Company. Accordingly, these shares were not shown on consolidation.

In 1979, 120,000 of the preferred shares were cancelled for a consideration of \$12,000,000 and the remaining 590,429 with a value of \$59,043,000 were sold to third parties for a premium of \$772,000 net of legal costs and applicable income taxes. Consequently, the consolidated accounts disclose an increase during 1979 of \$59,815,000 in equity from the sale of these preferred shares.

As a condition to the sale, the Company and purchasers have agreed upon revisions to existing terms and conditions. The material revisions are a reduction in the number of authorized preferred shares from 1,000,000 shares to 890,429 shares and provision for redemption on August 1, 1990, at \$100 per share. These changes are being submitted to the shareholders of the Company for approval on March 6, 1980.

(iv) The Board of Directors has approved plans for employees' stock options to be granted and exercised prior to February 1, 1981. To date, options have not been granted or a price per share established. Under applicable stock exchange regulations, shares may not be issued at a discount greater than 10% from the market price prevailing at the date of granting an option.

As at December 31, 1979, 250,000 common shares have been reserved for options to be granted under these plans.

10. Pension Plan

The most recent actuarial valuation of the Company's pension plan was made by independent actuaries as at December 31, 1978 and showed no unfunded liability.

11. Directors and Officers

For the year ended December 31, 1979 the aggregate direct remuneration paid or payable by the Company to Directors and Officers was \$1,341,000 and the estimated aggregate cost for the year of all pension benefits proposed to be paid to Officers on retirement at normal retirement age was \$82,000.

12. Proposed Acquisition

On January 25, 1980 the Company announced it is negotiating the acquisition by its Florida-based holding company, Royal Trust Bank Corp., of the Community Bank of Pinellas in Florida. Community Bank has assets of approximately \$320 million (U.S.). The proposal, which is subject to various corporate and regulatory approvals, involves a purchase price of approximately \$36.2 million (U.S.).

Year-End Position	1970	1971
Assets		
Cash, bank deposit receipts and treasury bills	\$ 236,896	\$ 282,158
Securities	478,236	525,688
Mortgages	838,655	960,697
Other loans	91,470	104,963
Receivables under equipment leases		
Premises, equipment and leasehold improvements	34,633	30,353
Other assets	7,688	8,248
	\$1,687,578	\$1,912,107
Deposits and Borrowings		
Deposit certificates	\$1,285,919	\$1,492,554
Savings and chequing accounts	104,439	129,123
Short term notes and debentures	185,809	172,446
	\$1,576,167	\$1,794,123
Other Liabilities, Deferred Income Taxes and Minority Interest		
Other liabilities	\$ 28,455	\$ 27,911
Deferred income taxes	7,506	8,279
Minority interest	5,006	5,552
	\$ 40,967	\$ 41,742
Shareholders' Equity	\$ 70,444	\$ 76,242
Total Assets Under Administration (in billions)		
Estimated market value	\$10.7	\$11.2
Results for year	1970	1971
Income		
<i>Fees and commissions from</i>		
Estates, trusts and agencies	\$ 10,914	\$ 10,814
Real estate sales and property management	7,256	12,173
Stock transfer agencies and bond trusteeships	3,280	3,514
Pension trusts and institutional accounts	2,938	3,216
Mortgage administration	2,287	2,742
Managed investment funds	1,109	1,890
Computer services		
Miscellaneous	857	947
Total Fees and Commissions	\$ 28,641	\$ 35,296
<i>Investment income from</i>		
Short term deposits	\$ 15,003	\$ 22,398
Securities and equipment leases	37,428	32,301
Mortgages	65,508	82,122
Other loans	7,007	5,731
Total investment income	\$ 124,946	\$ 142,552
Total income	\$ 153,587	\$ 177,848
Expenses		
Interest paid	\$ 104,269	\$ 113,106
Salaries, commissions and staff benefits	23,475	29,243
Net premises	3,814	4,203
Other	8,086	10,621
Total	\$ 139,644	\$ 157,173
Income Before Income Taxes	\$ 13,943	\$ 20,675
<i>Less</i>		
Interest of minority shareholders in net income of subsidiary companies	\$ 279	\$ 283
Income taxes	6,867	10,323
	\$ 7,146	\$ 10,606
Net Operating Income	\$ 6,797	\$ 10,069
Net gains (losses) on investments	402	(59)
Foreign exchange adjustments	(24)	111
Gain (loss) on disposal of premises		(216)
Income tax applicable to above items	(144)	160
Net Income	\$ 7,031	\$ 10,065
(Before extraordinary item in 1977)		

Ten-Year Review (Dollars in thousands)							
1972	1973	1974	1975	1976	1977	1978	1979
\$ 343,272	\$ 493,779	\$ 427,214	\$ 555,294	\$ 628,536	\$ 680,600	\$ 767,405	\$ 833,031
464,914	380,556	449,093	360,220	403,922	408,663	569,108	844,179
1,174,517	1,553,652	2,019,235	2,239,117	2,761,133	3,379,885	4,022,322	4,806,041
127,361	182,272	157,379	143,818	233,163	145,830	224,277	337,303
		13,154	80,820	138,381	139,593	136,748	130,386
29,965	31,233	35,883	37,841	47,739	49,043	53,231	54,520
11,161	17,467	18,084	18,599	56,394	63,367	64,175	60,474
\$2,151,190	\$2,658,959	\$3,120,042	\$3,435,709	\$4,269,268	\$4,866,981	\$5,837,266	\$7,065,934
\$1,604,179	\$2,046,374	\$2,475,745	\$2,636,826	\$3,116,027	\$3,526,374	\$4,257,400	\$5,221,272
194,902	211,041	215,577	309,010	513,014	703,063	862,445	1,032,894
221,825	244,379	269,101	305,156	405,457	380,052	437,300	453,061
\$2,020,906	\$2,501,794	\$2,960,423	\$3,250,992	\$4,034,498	\$4,609,489	\$5,557,145	\$6,707,227
\$ 26,954	\$ 34,367	\$ 21,823	\$ 38,878	\$ 35,597	\$ 44,305	\$ 45,220	\$ 37,953
9,547	17,038	26,996	25,081	37,295	48,453	56,042	68,061
5,632	7,935	8,312	8,851	10,482	6,776	5,595	5,602
\$ 42,133	\$ 59,340	\$ 57,131	\$ 72,810	\$ 83,374	\$ 99,534	\$ 106,857	\$ 111,616
\$ 88,151	\$ 97,825	\$ 102,488	\$ 111,907	\$ 151,396	\$ 157,958	\$ 173,264	\$ 247,091
\$12.6	\$14.0	\$13.6	\$15.1	\$16.8	\$19.2	\$22.7	\$25.8
1972	1973	1974	1975	1976	1977	1978	1979
\$ 11,079	\$ 13,241	\$ 13,690	\$ 13,979	\$ 15,685	\$ 16,971	\$ 19,763	\$ 23,554
17,978	30,414	43,026	55,501	76,871	97,827	107,009	125,236
4,115	4,044	4,237	4,645	5,325	5,556	6,972	6,939
3,827	4,380	5,522	6,064	6,809	7,496	9,534	10,905
3,474	4,050	4,275	5,263	6,134	8,252	9,167	9,162
3,003	4,186	4,440	5,349	6,156	7,241	9,127	11,365
			12,672	15,314	14,787	16,799	23,255
1,344	764	1,965	1,316	1,901	2,977	3,510	2,817
\$ 44,820	\$ 61,079	\$ 77,155	\$ 104,789	\$ 134,195	\$ 161,107	\$ 181,881	\$ 213,233
\$ 25,307	\$ 39,997	\$ 74,999	\$ 52,419	\$ 66,546	\$ 62,497	\$ 74,175	\$ 112,346
31,368	23,839	30,124	38,895	38,837	43,737	44,399	77,291
96,004	126,127	173,653	204,112	248,866	311,806	381,204	458,047
6,858	10,485	12,479	11,714	15,575	16,335	20,540	33,408
\$ 159,537	\$ 200,448	\$ 291,255	\$ 307,140	\$ 369,824	\$ 434,375	\$ 520,318	\$ 681,092
\$ 204,357	\$ 261,527	\$ 368,410	\$ 411,929	\$ 504,019	\$ 595,482	\$ 702,199	\$ 894,325
\$ 127,146	\$ 161,130	\$ 248,146	\$ 254,635	\$ 308,755	\$ 355,501	\$ 420,326	\$ 570,716
35,573	49,260	63,576	82,157	108,878	138,008	156,366	189,212
4,879	5,655	6,665	8,241	11,401	17,055	19,583	22,561
13,096	17,113	23,196	31,322	39,980	50,752	57,575	68,443
\$ 180,694	\$ 233,158	\$ 341,583	\$ 376,355	\$ 469,014	\$ 561,316	\$ 653,850	\$ 850,932
\$ 23,663	\$ 28,369	\$ 26,827	\$ 35,574	\$ 35,005	\$ 34,166	\$ 48,349	\$ 43,393
\$ 386	\$ 654	\$ 670	\$ 606	\$ 677	\$ 429	\$ 279	\$ 388
10,800	13,469	12,220	16,023	14,718	15,223	21,731	15,771
\$ 11,186	\$ 14,123	\$ 12,890	\$ 16,629	\$ 15,395	\$ 15,652	\$ 22,010	\$ 16,159
\$ 12,477	\$ 14,246	\$ 13,937	\$ 18,945	\$ 19,610	\$ 18,514	\$ 26,339	\$ 27,234
563	100	(1,192)	(1,270)	(110)	(510)	(2,941)	940
(169)	(181)	(19)	(877)	(1,135)	3,239	3,808	(1,052)
909		76	205	189	42	1,103	91
(478)	12	638	702	574	(155)	533	1,795
\$ 13,302	\$ 14,177	\$ 13,440	\$ 17,705	\$ 19,128	\$ 21,130	\$ 28,842	\$ 29,008



Profile 1979

The Royal Trust Group of Companies

ROYAL TRUSTCO LIMITED

Registered Office:
76 Metcalfe Street
Ottawa, Ontario

Executive Office:
Toronto Dominion Bank Tower
Toronto Dominion Centre
Toronto, Ontario
M5W 1P9
(416) 867-2000

Board of Directors

*Kenneth A. White
*Chairman of the Board
President and Chief Executive
Officer*

John D. Allan
*President and Chief Operating
Officer
The Steel Co. of Canada, Ltd.*

The Hon. R. James Balfour, *Senator
Partner – Balfour, Milliken, Moss,
Laschuk, Kyle, Vancise & Cameron
(Barristers and Solicitors)*

Robert G. Bentall
*President
Dominion Construction Co. Ltd.*

G. Drummond Birks
*President and Chief Executive
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Henry Birks & Sons Ltd.*

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McNally, Dingle, Benn & Lefebvre
(Barristers and Solicitors)*

James M. Cameron
*Executive Vice-President
TransCanada PipeLines Ltd.*

†*Alistair M. Campbell
*Chairman of the Executive
Committee
Sun Life Assurance Co. of Canada*

†Keith Campbell
*Vice-President – Special Projects
Canadian Pacific Ltd.*

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*Senior Partner – McTague, Clark
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*Chairman
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†*Fraser M. Fell
*Partner – Fasken & Calvin
(Barristers and Solicitors)*

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*Retired Chairman
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*Conrad F. Harrington
*Chairman of the Executive
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The Royal Trust Company*

Harold Husband
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Victoria Machinery Depot Co. Ltd.*

Frederick W. P. Jones
Financial Consultant

Egerton W. King
*President
Canadian Utilities Limited*

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*Vice-Chairman and Chief
Executive Officer, Genstar Ltd.*

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*President
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Counsel and Partner – Stikeman,
Elliott, Tamaki, Mercier & Robb
(Barristers and Solicitors)*

David G. Waldon
*Retired Chairman and Chief
Executive Officer
Interprovincial Pipe Line Ltd.*

Allan Waters
President, CHUM Ltd.

†*Marshall M. Williams
President, Calgary Power Ltd.

*Member of the Executive
Committee
†Member of the Audit Committee

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G. Blair Gordon
The Hon. George C. Marler
Jean Martineau
John W. McKee
John L. O'Brien
Arthur C. Price

Officers

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Chief Executive Officer**
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**Senior Executive Vice-President
and Chief Operating Officer**
John M. Scholes

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Money and Banking, and Treasurer

Group Vice-President
F. Sandy Milligan
*Organization and Personnel
Planning*

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Robert T. Horwood
Management Systems

C. Terrill Manning
Secretary

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International Development

Assistant Vice-Presidents
James A. C. Ferenbach
Comptroller

H. Richard Gourlay
Audit

W. Brian Hayman
Personnel Planning

David Lebbell
Corporate Tax Services

Principal Subsidiaries

ROYAL TRUST CORPORATION OF CANADA

Head Office:
700 The Dome Tower
Toronto Dominion Square
Calgary, Alberta
T2P 2Z3

Executive Office:
Toronto Dominion Bank Tower
Toronto Dominion Centre
Toronto, Ontario
M5W 1P9
(416) 867-2000

Board of Directors

Kenneth A. White,
Chairman of the Board
John D. Allan
The Hon. R. James Balfour
Robert G. Bentall
G. Drummond Birks
Donald N. Byers
James M. Cameron
Alistair M. Campbell
Keith Campbell
Charles J. Clark
Henry Collingwood
Fraser M. Fell
Eric L. Hamilton
Conrad F. Harrington
Harold Husband
Frederick W. P. Jones
Egerton W. King
Angus A. MacNaughton
John F. McDougall
The Hon. Maurice Riel

John M. Scholes
David G. Waldon
Allan Waters
Marshall M. Williams

Officers

Chairman of the Board
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Senior Executive Vice-President and Chief Operating Officer
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Executive Vice-President

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Real Estate & Mortgages

Group Vice-Presidents

Roland B. Breton
Regional Operations

G. Roger Otley
Investments and Trust Services

Ian D. Sneddon
Marketing and Money Service

Senior Vice-President

Charles C. de Léry
Administration

Vice-Presidents

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Mortgages

David B. Ascott
Personal Trust

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David R. Cooper
Profitability Planning

Nicholas R. D. Dennys
Western Region

Stephen M. Ferris
Personnel

André Forest
Mortgages (Eastern Canada)

August Hagedorn
Investments

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Treasurer

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Ontario Region

George F. Publicover
Atlantic Region

Claude M. Root
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Trust Development, Western Region

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European Region

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Pension Trust Services

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Robert F. Cupit
Money Service

James A. C. Ferenbach
Comptroller

James A. Gordon
Sales and Marketing

Jacques G. Lebeuf
Alberta Region

Stanley Litwin
I.C. & I. Real Estate

Donald Manchester
Residential Sales (Western Canada)

W. John Pritchard
Consumer Credit

D. Donald Ross
Manitoba and Saskatchewan Region

H. Thomas Tucker
Property Investment Services

George Wiebe
Corporate Trust Services

Secretary
Nicolas W. R. Burbidge

Branches and Advisory Boards

Atlantic Region

Centennial Bldg.
1648 Hollis Street
Halifax B3J 1V7
(902) 429-2700
George F. Publicover,
Regional Vice-President

FULL SERVICE BRANCHES

Newfoundland
ST. JOHN'S
Royal Trust Building
139 Water Street (A1C 1B2)
Glen S. Scollon, Manager

Advisory Board:
Glen S. Scollon, Chairman
Wilfrid J. Ayre
Charles R. Bell
Henry Collingwood
Harold L. Lake
William W. Marshall
John J. Murphy
James W. Parker
Ian J. Reid
Frederick W. Russell

New Brunswick
SAINT JOHN
Brunswick House
1 King Street (E2L 1G1)
Peter W. Carrodus, Manager

Advisory Board:
Peter W. Carrodus, Chairman
J. Eric Cormier
Harold C. Gunter
E. Neil McKelvey
Philip W. Oland
Winston A. Steeves
Joseph V. Streeter
John R. Willett
Keith M. Wilson

Nova Scotia
HALIFAX
Centennial Bldg.
1648 Hollis Street (B3J 1V7)
James R. Beasant, Manager

Advisory Board:
James R. Beasant, Chairman
Laurence F. Daley
C. Wilmot Dean
Leonard A. Kitz
George Mitchell
Derek Oland
John W. Snook
William J. Stephens
Joseph Zatzman
Sherman F. H. Zwicker

Prince Edward Island
CHARLOTTETOWN
72 University Avenue (C1A 7M3)
Robert E. Anderson, Manager

COMBINED MONEYSERVICE AND REAL ESTATE OFFICES

Newfoundland
CORNERBROOK
Millbrook Shopping Centre
(A2H 4B5)

New Brunswick
MONCTON
837 Main Street (E1C 1G3)

Nova Scotia
HALIFAX
Bayers Road Shopping Centre
(B3L 2C2)

MONEYSERVICE OFFICES

New Brunswick
DIEPPE
477 Paul Street (E1C 8P9)
FREDERICTON
400 King Street (E3B 1E3)

REAL ESTATE OFFICES

Newfoundland
ST. JOHN'S
Baine Johnston Plaza,
58 Kenmount Road (A1B 1W3)

New Brunswick
FREDERICTON
516 Smythe Street (E3B 3E6)
SAINT JOHN
55 Thorne Avenue (E2J 1W7)

Nova Scotia
BRIDGEWATER
421 LaHave Street (B4V 3A2)
DARTMOUTH
Holiday Inn (B3A 1L9)
LOWER SACKVILLE
507 #1 Highway (B4C 2S1)

Prince Edward Island
CHARLOTTETOWN
Charlottetown Mall, Malpeque
Road (C1A 7J9)

Toronto Metro Region

Royal Trust Tower
Toronto Dominion Centre
Toronto M5W 1P9
(416) 867-2000
John A. Burleton, Regional Vice-
President and Manager

FULL SERVICE BRANCH

TORONTO
Royal Trust Tower
Toronto Dominion Centre
(M5W 1P9)
John A. Burleton, Manager

Advisory Board:
John A. Burleton, Chairman
Robert A. Cranston
John F. Ellis
Harold T. Fargey
Charles P. Fell
Lawson A. Kaake
John P. G. Kemp
John W. McKee
Frank A. Schulman
David G. Waldon

**COMBINED MONEYSERVICE AND
REAL ESTATE OFFICES**

OAKVILLE
239 Lakeshore Road East (L6J 1H7)
OSHAWA
265 King Street West (L1J 2J7)
THORNHILL
8143 Yonge Street (L3T 2C6)
Metropolitan Toronto
ETOBICOKE
1066 Albion Road (M9V 1A7)
SCARBOROUGH
1885 Lawrence Avenue East
(M1R 2Y3)
2525 Pharmacy Avenue (M1W 2K2)
TORONTO
574 Bloor Street West (M6G 1K1)
483 Danforth Avenue (M4K 1P5)
21 St. Clair Avenue East
(M4T 1M1)

MONEYSERVICE OFFICES

BARRIE
Bayfield Mall, 320 Bayfield Street
(L4M 3C1)
MISSISSAUGA
33 City Centre Drive (L5B 9Z9)
2155 Leanne Boulevard (L5K 2K8)
Metropolitan Toronto
ETOBICOKE
295 The West Mall (M9C 4Z4)
32 Humbertown Centre (M9A 3T7)
NORTH YORK
3770 Bathurst Street (M3H 3M6)
3989 Bathurst Street (M3H 5V3)
SCARBOROUGH
1001 Finch Avenue East (M1V 1Z6)
549 Markham Road (M1H 2A3)
TORONTO
5 Bloor Street East (M4W 1A9)
60 Bloor Street West (M4W 1A1)
81 St. Clair Avenue East
(M4T 1M7)
2247 Yonge Street (M4S 2B1)
1677 Bayview Avenue (M4G 3C1)
245 Marlee Avenue (M6B 4B8)
1016 Eglinton Avenue West
(M6C 2C5)
2329 Bloor Street West (M6S 1P1)
503 St. Clair Avenue West
(M6C 1A1)

REAL ESTATE OFFICES

BARRIE
357 Bayfield Street (L4M 3C3)
BRAMALEA
1311 City Centre (L6T 3R5)
BRAMPTON
Centennial Mall,
Kennedy Road North (L6V 1N2)
57 George Street South (L6Y 1P4)
GEORGETOWN
266E Guelph Street (L7G 4B1)
MISSISSAUGA
1090 Dundas Street East (L4Y 2B8)
Meadowvale Court,
6549 Mississauga Road (L5W 1A6)
2545 Hurontario Street (L5A 2G4)
Millway Shopping Centre,
3200 Erin Mills Parkway (L5L 1W8)
NEWMARKET
118 Davis Drive (L3Y 2N1)
ORANGEVILLE
16 Broadway (L9W 1J4)

OSHAWA

Simcoe Centre, 1251 Simcoe
Street North (L1G 4X1)
PICKERING
Pickering Hub Plaza,
1360 Kingston Road (L1V 1B7)
Metropolitan Toronto
ETOBICOKE
5468 Dundas Street West
(M9B 1B3)
5240 Dundas Street West
(M9B 1A9)
NORTH YORK
4430 Bathurst Street (M3H 3S2)
5 Fairview Mall Drive (M2J 2Z1)
SCARBOROUGH
2354 Kennedy Road (M1T 3H1)
2650 Eglinton Avenue East
(M1K 2S3)
2355 Eglinton Avenue East
(M1K 2M5)
3154 Kingston Road (M1M 1P4)
898 Markham Road (M1H 2Y2)
TORONTO
986 Bloor Street West (M6H 1L8)
2320 Bloor Street West (M6S 1P2)
2031 Danforth Avenue (M4C 1J8)
90 Eglinton Avenue West
(M4R 2E4)
3434 Yonge Street (M4N 2M9)
YORK
1925 Weston Road (M9N 1W7)

**INDUSTRIAL, COMMERCIAL &
INVESTMENT REAL ESTATE
OFFICES**

TORONTO
21 St. Clair Avenue East
(M4T 1M1)

Ontario Region

Royal Trust Tower
Toronto Dominion Centre
Toronto M5W 1P9
(416) 867-2000
George Mitchell, Regional
Vice-President

FULL SERVICE BRANCHES

HAMILTON
Stelco Tower
Lloyd D. Jackson Square
100 King Street West (L8P 1A2)
Allan C. McKean, Manager

Advisory Board:
Allan C. McKean, Chairman
John D. Campbell
Roy G. Cole
Ronald K. Fraser
Thomas E. Nichols
Trumbull Warren

KINGSTON

100 Princess Street (K7L 1A7)
Murray H. Dittburner, Manager

Advisory Board:
Murray H. Dittburner, Chairman
Douglas G. Cunningham
Michael R. L. Davies
William A. Kelly
John J. MacKay
Lawrence G. Macpherson
Dr. John A. Milliken

KITCHENER

105 King Street East (N2G 2K8)
Eric J. Dorman, Manager

Advisory Board:
Eric J. Dorman, Chairman
Stuart R. Goudie
Hartman H. L. Krug
Dr. H. John Lackner
Theodore A. Witzel
John A. Young

LONDON

137 Dundas Street (N6A 1E9)
William J. Noble, Manager

Advisory Board:
William J. Noble, Chairman
Donald H. Anderson
George H. Belton
Francis W. Dowler
David M. Gunn
Frederick W. P. Jones
John F. Quinney

OTTAWA

76 Metcalfe Street (K1P 5L8)
William D. Gordon, Manager

Advisory Board:
William D. Gordon, Chairman
Alistair M. Campbell
L.Gen. Frank J. Fleury
David A. Golden
Gordon F. Henderson
M.Gen. Harry F. G. Letson
George Perley-Robertson
Fletcher W. Troop
Andrew B. Weir
Richard P. White

PETERBOROUGH
Peterborough Square
360 George Street North (K9H 7E7)
Barron K. Cowan, Manager

ST. CATHARINES
4 Queen Street (L2R 5G3)
Uel R. Van Sickle, Manager

Advisory Board:
Uel R. Van Sickle, Chairman
James B. Brown
David A. Macfarlane
Alan S. Notman
Dr. Boyce E. Sherk
Philip H. Sullivan

SARNIA
201 N. Front Street (N7T 5S4)
Gordon D. Morrison, Manager

Advisory Board:
Gordon D. Morrison, Chairman
Charles O. Fairbank
Gordon Ferguson
Gordon H. Findlay
C. Howard Huctwith
Herbert S. Matthews
George W. Parker
Stanley Wilk
Roger A. Wilson

SAULT STE. MARIE
350 Queen Street East (P6A 1Z2)
Andrew S. Graham, Manager

Advisory Board:
Andrew S. Graham, Chairman
Robert L. Curran
William M. Hogg
Douglas C. Joyce
Leonard N. Savoie

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202 Red River Road (P7B 1A4)
John W. Corbishley, Manager

Advisory Board:
John W. Corbishley, Chairman
Charles J. Carter
John N. Paterson
William J. R. Paton
Robert J. Prettie

WINDSOR
315 Ouellette Avenue (N9A 4J1)
Wayne M. Pritchard, Manager

Advisory Board:
Wayne M. Pritchard, Chairman
Charles J. Clark
Alfred E. Downing
Robert F. Kiborn

**COMBINED MONEYSERVICE AND
REAL ESTATE OFFICES**

BELLEVILLE
224 Front Street (K8N 2Z2)
LEAMINGTON
36 Erie Street South (N8H 3A7)
LONDON
1299 Oxford Street East
(N5Y 4W4)
Westmount Mall, 785 Wonderland
Road (N6K 1M6)
NIAGARA FALLS
4481 Queen Street (L2E 2L4)
STRATHROY
5 Front Street West (N7G 1X5)

MONEYSERVICE OFFICES

BRANTFORD
225 Fairview Drive (N3R 6T0)
BURLINGTON
455 Brant Street (L7R 3Y5)
CAMBRIDGE
114 Main Street (N1R 1V7)
CHATHAM
100 King Street (N7M 1E1)
FOREST
161 - 165 King Street East
(N0N 1J0)
GUELPH
88 St. George's Square (N1H 6N9)
HAMILTON
558 Upper Gage Avenue (L8V 4S7)
LONDON
215 Dundas Street (N6A 1G4)
OTTAWA
Carlingwood Plaza, 2093 Carling
Avenue (K2A 1H2)
140 Rideau Street (K1N 5X6)
2960 Hwy. 31 (K1T 1N6)
Billings Bridge Plaza,
2269 Riverside Drive (K1H 8K2)
Elmvale Acres Shopping Centre,
1910 St. Laurent Boulevard
(K1G 1A4)
PETROLIA
4186 Petrolia Street (N0N 1R0)
ST. THOMAS
525 Talbot Street (N5P 1C3)
THUNDER BAY
700 East Victoria Street (P7C 5P7)
WATERLOO
100 King Street South (N2J 1P5)
WOODSTOCK
453 Dundas Street (N4S 1C2)

REAL ESTATE OFFICES

AYLMER
36 Talbot Street East (N5H 1H4)
BURLINGTON
2059 Gore Street (L7R 1E1)
740 Guelph Line (L7R 3N5)
GUELPH
173 Woolwich Street (N1H 3Z1)
HAMILTON
760 Upper James Street (L9C 3A2)
KINGSTON
277 Bath Road (K7M 4X3)
KITCHENER
1183 King Street East (N2G 2N3)
LONDON
Oakridge Mall, 1201 Oxford Street
(N6H 1V9)
505 Dundas Street (N6B 1W4)
OTTAWA
116 Albert Street, Suite 300
(K1P 5G3)
Shoppers City East, 2016 Ogilvie
Road (K1J 7N9)
Lincoln Fields, 2525 Carling
Avenue (K2B 7Z2)
Shoppers City West,
1375 Woodroffe Avenue (K2G 1V7)
2679 Alta Vista Drive (K1V 7T4)
PEMBROKE
191 Pembroke Street East
(K8A 6X1)
PETERBOROUGH
Brookdale Plaza, 833 Chemong
Road (K9H 5Z5)
ST. CATHARINES
87 Lake Street (L2R 5X5)
SARNIA
559 Exmouth Street (N7T 5P6)
STONEY CREEK
Battlefield Square, 840 Queenston
Road (L8K 1K2)
TRENTON
Trenton Town Centre, 266 Dundas
Street (K8V 1M1)
WATERLOO
258 King Street North (N2J 2Y8)
WINDSOR
Central Mall, 3739 Tecumseh Road
East (N8W 1H8)

**INDUSTRIAL, COMMERCIAL &
INVESTMENT REAL ESTATE
OFFICES**

OTTAWA
116 Albert Street, Suite 300
(K1P 5G3)

Western Region

700 The Dome Tower
Toronto Dominion Square
333 - 7 Avenue S.W.
Calgary T2P 2Z3
(403) 237-1700
Nicholas R. D. Dennys, Regional
Vice-President

FULL SERVICE BRANCHES

Manitoba
WINNIPEG
287 Broadway (R3C 0R9)
D. Donald Ross, Assistant Vice-
President and Manager

Advisory Board:
D. Donald Ross, Chairman
Samuel N. Cohen
A. Searle Leach
J. Derek Riley
Stewart A. Searle, Jr.
George H. Sellers

Saskatchewan
REGINA
1862 Hamilton Street (S4P 2B8)
Laurier A. Carrière, Manager

Advisory Board:
Laurier A. Carrière, Chairman
The Hon. R. James Balfour
Dr. E. William Barootes
Charles H. Knight
Jack J. Sharp
Gordon W. Staseson

SASKATOON
Midtown Plaza (S7K 1J9)
Kenneth J. Candlish, Manager

Advisory Board:
Kenneth J. Candlish, Chairman
Jack M. Byers
Warren C. Champ
Robert H. McKercher
G. Blair Nelson

Alberta
CALGARY
700 The Dome Tower
Toronto Dominion Square
333 - 7 Avenue S.W. (T2P 2Z3)
Jacques G. Lebeuf, Assistant Vice-
President and Manager

Advisory Board:
Jacques G. Lebeuf, Chairman
Albert T. Baker
Robert G. Black
James B. Cross
Norris R. Crump
Frederick A. McKinnon
David E. Mitchell
Alastair H. Ross
Marshall M. Williams

EDMONTON
400 Royal Trust Tower
Edmonton Centre (T5J 2Z2)
Philip S. H. Brodie, Manager

Advisory Board:
Philip S. H. Brodie, Chairman
Charles W. Carry
Harry Hole
Egerton W. King
John F. McDougall
William S. McGregor
G. Richard A. Rice

LETHBRIDGE
740 - 4 Avenue South (T1J 0N9)
David Laycock, Manager

British Columbia
KELOWNA
248 Bernard Avenue (V1Y 6N3)
Ronald L. Fowler, Manager

Advisory Board:
Ronald L. Fowler, Chairman
Ian M. Greenwood
Dr. Harold R. Henderson
John D. Hindle
J. Bruce Smith
Richard J. Stewart

VANCOUVER
Royal Trust Tower
Bentall Centre
555 Burrard Street (V7X 1K2)
Nicholas R. D. Dennys, Vice-
President and Acting Manager

Advisory Board:
Nicholas R. D. Dennys, Acting
Chairman
Robert G. Bentall
A. John Ellis
Mark H. Gunther
The Hon. John L. Nichol
John G. Prentice
John H. Salter
The Hon. James Sinclair

VICTORIA
1205 Government Street
(V8W 1Y5)
Alan G. Aldous, Manager

Advisory Board:
Alan G. Aldous, Chairman
David Angus
John W. Bayne
S. Joseph Cunliffe
R. Adm. James C. Hibbard (Ret'd)
Harold Husband
Hector C. Stone

COMBINED MONEYSERVICE AND REAL ESTATE OFFICES

Alberta
CALGARY
755 Lake Bonavista Drive S.E.
(T2J 0N2)
RED DEER
4812 Ross Street (T4N 4A3)

British Columbia
KAMLOOPS
109 Victoria Street (V2C 1A1)
VANCOUVER
2118 West 41 Avenue (V6M 1Z1)
WEST VANCOUVER
Holyburn Plaza,
1760 Marine Drive (V7V 1J4)

MONEYSERVICE OFFICES

Manitoba
WINNIPEG
146 - 1120 Grant Avenue
(R3M 2A6)

Alberta
CALGARY
3625 Shaganappi Trail N.W.
(T3A 0E2)
EDMONTON
10039 Jasper Avenue (T5J 1T4)
10103 - 117 Street (T5K 1X5)
111 Bonnie Doon Shopping Centre,
82 Avenue & 83 Street (T6C 4E3)
MEDICINE HAT
3292 Dunmore Road S.E. (T1B 2R4)

British Columbia
VANCOUVER
2899 Granville Street (V6H 3J4)

REAL ESTATE OFFICES

Manitoba
WINNIPEG
1387 Grant Avenue (R3M 1Z9)
1576 St. Mary's Road (R2M 3W4)
3380 Portage Avenue (R3K 0Z1)
2055 McPhillips (R2V 3C6)
1426 Henderson Highway
(R2G 1N4)

Saskatchewan
REGINA
1357 Broadway Avenue (S4P 1E5)
SASKATOON
1003 - 8 Street East (S7H 0S2)

Alberta
CALGARY
9622 Elbow Drive S.W. (T2V 1M2)
3604 - 52 Avenue N.W. (T2L 1V9)
Marlborough Town Square
(T2A 2K2)
3802 Morley Trail N.W. (T2L 1K8)
1650 - 37 Street S.W. (T3C 3P1)
1101 Centre Street North
(T2E 2R1)
1011 Glenmore Trail S.W.
(T2V 4R6)
208 Midpark Way S.E. (T0L 1J0)
EDMONTON
15628 Stony Plain Road (T5P 3Z3)
Lendrum Place Shopping Centre,
5714 - 111 Street (T6H 3G1)
Castle Downs Town Square,
15333 Castle Downs Road
(T5X 3Y7)
7510 - 82 Avenue (T6C 0X9)
LETHBRIDGE
2220 Fifth Avenue South (T1J 4G6)
SHERWOOD PARK
Maplewood Shopping Centre,
52 Brentwood Boulevard (T8A 2H6)
ST. ALBERT
26 St. Anne Street (T8N 1E9)

British Columbia
BURNABY
4341 North Road (V3N 4N3)
KELOWNA
520 Bernard Avenue (V1Y 6B1)
LANGLEY
20316 - 56 Avenue (V3Z 3Y7)
NORTH VANCOUVER
133 West 15 Street (V7M 1R8)
RICHMOND
6340 No. 3 Road (V6Y 2B3)
RUTLAND
202 Highway 33 West (V1X 1X7)
SURREY
10445 - 137 Street (V3T 5B1)
VANCOUVER
5840 Cambie Street (V5Z 3A8)
2298 Kingsway (V5N 5M9)
VICTORIA
3400 Douglas Street (V8A 3L5)
4082 Sherbourne Street (V8N 4P6)

INDUSTRIAL, COMMERCIAL & INVESTMENT REAL ESTATE OFFICES

Manitoba
WINNIPEG
509 - 386 Broadway (R3C 3R6)

Alberta
CALGARY
4515 Macleod Trail South
(T2G 0A5)
EDMONTON
1120 Oxford Tower,
10235 - 101 Street (T5J 3G1)

British Columbia
VANCOUVER
555 Burrard Street (V6B 3R7)

Royal Trust Representative In California:

Frank R. Southee
P.O. Box 28081
San Diego 92128
(714) 487-0375

THE ROYAL TRUST COMPANY

Head Office:
630 Dorchester Boulevard West
Montreal, Quebec
H3B 1S6
(514) 876-2525

Board of Directors

Kenneth A. White,
Chairman of the Board
John D. Allan
The Hon. R. James Balfour
Jean A. Béliveau
G. Drummond Birks
Donald N. Byers
Alistair M. Campbell
Keith Campbell
Charles C. de Léry
Jacques Dionne
Fraser M. Fell
Jean H. Fournier
Eric L. Hamilton
Conrad F. Harrington
Harold Husband
Frederick W. P. Jones
John H. Matthews
The Hon. Maurice Riel
John M. Scholes
Pierre Taschereau

Officers

**Chairman, President and Chief
Executive Officer**
Kenneth A. White

**Senior Executive Vice-President
and Chief Operating Officer**
John M. Scholes

Senior Vice-President
Jacques Dionne
Operations

Vice-Presidents
André Forest
*Administration, Lending and
Secretary-Treasurer*

Philip E. Johnston
*Montreal Region and Manager,
Montreal Branch*

Assistant Vice-President
V. Geoffrey Hobbes
Investments

Branches and Advisory Boards
FULL SERVICE BRANCHES

MONTREAL
630 Dorchester Boulevard West
(H3B 1S6)
Philip E. Johnston, Regional
Vice-President and Manager

QUEBEC
Royal Trust Building
1120 Chemin St. Louis
Sillery (G1S 1E5)
Henri C. Renaud, Manager

Advisory Board:
Henri C. Renaud, Chairman
Paul A. Audet
Stanley E. Brock
Pierre Côté
Jacques de Billy
Roger Létourneau
Jean A. Pouliot

SHERBROOKE
Royal Trust Building
25 Wellington Street North
(J1H 5B3)
Gilles Girard, Manager

Advisory Board:
Gilles Girard, Chairman
B.Gen. Jean P. Gautier
Raymond Martin
Herbert A. Simons
David M. Stearns
Mortimer M. Vineberg

TROIS-RIVIERES
Royal Trust Building
1300 Notre Dame Street
(G9A 5M7)
W. Daniel Villeneuve, Manager

Advisory Board:
W. Daniel Villeneuve, Chairman
Gen. Jean Victor Allard
Pierre Lajoie
Pierre Leblanc

*COMBINED MONEYSERVICE
AND REAL ESTATE OFFICES*

BROSSARD
Champlain Mall, 2150 Lapinière
Boulevard (J4W 1M1)
DORVAL
280 Dorval Avenue (H9S 3H3)
JONQUIERE
Arvida Shopping Centre,
555 Highway 170 (G7S 4K7)
LASALLE
424 Dollard Avenue (H8N 1S6)
LAVAL
3035 Carrefour Laval Boulevard
(H7T 1C8)
3131 Concorde Boulevard
(H7E 2B8)

MONTREAL
6955 St. Hubert Street (H2S 2N1)
5265 Queen Mary Road (H3W 1Y3)
QUEBEC
1874 d'Estimauville (G1J 5B1)
RIMOUSKI
Le Carrefour Rimouski,
419 Jessop Boulevard (G5L 1N5)
STE-FOY
2700 Wilfrid Laurier Boulevard
(G1V 2L8)
WESTMOUNT
4145 Sherbrooke Street West
(H3Z 1B7)

MONEYSERVICE OFFICES

BEACONSFIELD
42D St. Charles Boulevard
(H9W 2X3)
CHATEAUGUAY
288 d'Anjou Boulevard (J6K 1C5)
MONTREAL
1155 Sherbrooke Street West
(H3A 2N3)
7813 Galeries d'Anjou Boulevard
(H1M 1W6)
MOUNT ROYAL
1301 Canora Road (H3P 2J5)
REPENTIGNY
155 Notre Dame Street (J6A 5L3)
ST-BRUNO DE MONTARVILLE
Les Promenades St. Bruno,
195 Les Promenades Boulevard
(J3V 5K2)
WESTMOUNT
4945 Sherbrooke Street West
(H3Z 1H2)

REAL ESTATE OFFICES

BEACONSFIELD
50 St. Charles Road (H9W 2X3)
BELOEIL
537 Sir Wilfrid Laurier Boulevard
(J3G 4H6)
CHATEAUGUAY
9 Place Valencia (J6K 1B3)
COTE ST. LUC
7047 Cote St. Luc Road (H4V 1S2)
DRUMMONDVILLE
400 St-Joseph Boulevard (J2C 2A8)
GRANBY
Place Evangeline, 39 Evangeline
Street (J2G 6N4)
HUDSON
441 Main Road (J0P 1H0)
HULL
490 St. Joseph Boulevard
(J8Y 3Y7)
KNOWLTON
Main Street (J0E 1V0)
LONGUEUIL
1 Place Longueuil (J4K 2V1)
K-Mart Plaza, 2665 Chambly Road
(J4L 1M3)

LAVAL
3184 St-Martin Boulevard West
(H7T 1A1)
MONTREAL
7705 des Galeries d'Anjou
Boulevard (H1M 1W6)
MONTREAL WEST
7400 Sherbrooke Street West
(H4B 1R8)
MOUNT ROYAL
147 Kindersley Avenue (H3R 1R3)
POINTE CLAIRE
Fairview Shopping Centre
(H9R 3J3)
225 Hymus Boulevard (H9R 1G3)
POINTE GATINEAU
378 Greber Boulevard (J8T 3R3)
ROSEMERE
277 Labelle Boulevard (J7A 2H3)
ROXBORO
19E Commercial Centre (H9Y 2N9)
ST-ADELE
1147 St-Adele Boulevard (J0R 1L0)
ST-BRUNO DE MONTARVILLE
1392 Montarville Street (J3V 3T5)
STE-FOY
Galeries Duplessis, 3295 Ste-Foy
Road (G1X 1R9)
ST-JEAN
Galeries Richelieu,
1012 du Seminaire Boulevard
(J3A 1E5)
ST-HUBERT
5950 Cousineau Boulevard
(J3Y 7K8)
ST-LAMBERT
321 Sir Wilfrid Laurier Boulevard
(J4R 2L1)
ST-LAURENT
1305 Poirier Street (H4L 1H1)
ST-LEONARD
9310 Lacordaire Boulevard
(H1R 2B7)
SHAWINIGAN SUD
2115 - 5 Avenue (G9P 1N9)
SHERBROOKE
2855 King Street West (J1L 1C6)
TRACY
7000 Plaza Avenue (J3R 4L8)
TROIS RIVIERES
840 des Recollets Boulevard
(G8Z 3W2)

*INDUSTRIAL, COMMERCIAL &
INVESTMENT REAL ESTATE
OFFICES*

MONTREAL
1155 Sherbrooke Street West
(H3A 2N3)
MOUNT ROYAL
2340 Lucerne Road (H3R 2K1)
QUEBEC
Place Sillery, 1126 St-Louis Road,
Sillery (G1S 1E5)

COMPUTEL SYSTEMS LTD.

Head Office:
1200 St. Laurent Boulevard
Ottawa, Ontario
K1K 3B8
(613) 746-4353

**President and Chief Executive
Officer**

Edward P. Cannon

94.9% owned by Royal Trustco,
Computel provides a broad range
of data-processing, programming,
data entry, facilities management,
consulting and educational ser-
vices to industrial, commercial
and government clients. The com-
pany has several major operating
divisions—Computel Systems,
Data Logic Canada, Dominion
Computer Support Services, Com-
putel (Saudi Arabia), SDI Asso-
ciates and Triquetra Services—
and subsidiaries in Miami, Florida
and London, England.

Board of Directors

David A. Golden, Chairman
Frederick B. Brooks-Hill
Bruce D. Campbell
Edward P. Cannon
Robert T. Horwood
John P. G. Kemp
Ian G. Michie
Charles E. O'Connor
G. Roger Otley
John M. Scholes
Kenneth A. White

Offices

HALIFAX
Bank of Commerce Building,
1809 Barrington Street (B3J 3K7)
QUEBEC
Place Sillery-Nord,
1126 St. Louis Road (G1S 1E5)
MONTREAL
Place du Canada,
1010 Lagachetière Street West
(H3B 2N2)
TORONTO
Royal Trust Tower,
Toronto Dominion Centre
(M5K 1E7)
WINNIPEG
The Royal Trust Building
287 Broadway (R3C 0S3)
CALGARY
600 The Dome Tower
Toronto Dominion Square
333 - 7 Avenue S.W. (T2P 2Z1)
VANCOUVER
365 Two Bental Centre,
555 Burrard Street (V7X 1M7)
VICTORIA
612 View Street (V8W 1J5)
(V8W 1J5)

Computel (Saudi Arabia)

P.O. Box 8051
Riyadh, Saudi Arabia

THE ROYAL TRUST COMPANY MORTGAGE CORPORATION

Royal Trust Tower
Toronto Dominion Centre
Toronto M5W 1P9

Executive Vice-President Keith C. Pilley

99.9% owned by Royal Trustco,
the company raises funds through
the issuing of debentures and
short-term notes and invests these
funds chiefly in first mortgages.

Directors:

Donald N. Byers
Alistair M. Campbell
Fraser M. Fell
Eric L. Hamilton
Conrad F. Harrington
Richard T. La Prairie
The Hon. George C. Marler
John L. O'Brien
Keith C. Pilley
The Hon. Maurice Riel, Senator
John M. Scholes
Kenneth A. White
Ewart A. Wickens
Marshall M. Williams

ROYAL TRUST BANK CORP.

701 Southwest 27 Avenue
Miami, Florida
U.S.A.
33135
(305) 642-7800

President and Chief Executive Officer

Richard A. Pallot

The Florida bank holding
corporation for Royal Trust banks
within the state of Florida. These
banks are:

Royal Trust Bank of Miami, N.A.
Royal Trust Bank of Broward
County
Royal Trust Bank of Palm Beach,
N.A.
Royal Trust Bank of St. Petersburg
Royal Trust Bank of Tampa
Royal Trust Bank of Jacksonville
Royal Trust Bank of Orlando

Board of Directors

Kenneth A. White, Chairman
Eric L. Hamilton
Conrad F. Harrington
Allen I. Isaacson
Richard T. La Prairie
Richard A. Pallot
John M. Scholes
Ewart A. Wickens

Royal Trust Bank of Miami, N.A.

627 Southwest 27 Avenue
Miami 33135
(305) 642-7800
Jerry F. Gilliam, President and
Chief Executive Officer

Directors:

Richard A. Pallot, Chairman
Jerry F. Gilliam
Edmond J. Gong
Herbert M. Levin
William L. Pallot
Samuel Seitlin
Theodore W. Slack, Sr.
Theodore Spak

REMOTE FACILITY

MIAMI
2400 Southwest First Street
(33135)

BRANCHES

HIALEAH
1225 West 68 Street (33104)
MIAMI
14801 South Dixie Highway
(33176)

Royal Trust Bank of Broward County

7841 Pines Boulevard
Pembroke Pines 33024
(305) 962-3010, 621-5947
Stephen H. Barnett, President and
Chief Executive Officer

Directors:

Richard A. Pallot, Chairman
Stephen H. Barnett
John C. Chinelly, Jr.
Jerry F. Gilliam
Kenneth C. Jenne

BRANCH

FORT LAUDERDALE
2800 East Oakland Park Boulevard
(33306)

Royal Trust Bank of Palm Beach, N.A.

411 South County Road
Palm Beach 33480
(305) 655-3900
H. Loy Anderson, Jr., President
and Chief Executive Officer

Directors:

George C. Slaton, Chairman
H. Loy Anderson, Jr.
Guilford Dudley, Jr.
Homer H. Marshman
Jesse D. Newman

BRANCH

BOCA RATON
2390 North Federal Highway
(33432)

Royal Trust Bank of Tampa

Tampa Bay Center
3302 West Buffalo Avenue
Tampa 33607
(813) 870-3664
Jerry F. Gilliam, President and
Chief Executive Officer

Directors:

James W. Kynes, Chairman
Joe B. Cordell
Jerry F. Gilliam
William H. Langhoff
George A. Levy
Thomas C. McDonald, Jr.

BRANCHES

TAMPA
302 North Dale Mabry Highway
(33609)
University Square, 2009 East
Fowler Avenue (33612)

Royal Trust Bank of St. Petersburg

2001 - 49 Street South
Gulfport 33707
(813) 321-2000
Harry C. Teague, President and
Chief Executive Officer

Directors:

Richard A. Pallot, Chairman
F. Lee Abbitt
Robert W. Caldwell, Jr.
Jerry F. Gilliam
William H. Langhoff
Harry C. Teague

BRANCHES

GULFPORT
5726 Gulfport Boulevard South
(33733)
ST. PETERSBURG BEACH
3805 Gulf Boulevard (33706)

Royal Trust Bank of Jacksonville

9225 Baymeadows Road
Jacksonville 32216
(904) 731-4600
Art G. Ereckson, President and
Chief Executive Officer

Directors:

Jack C. Demetree, Chairman
Art G. Ereckson
Joseph C. Gill
Walter L. Harvey
George A. Helow
John E. Mathews, Jr.
Edward W. Starkey

Royal Trust Bank of Orlando

7950 South Orange Blossom Trail
Orlando 32809
(305) 859-1776
Larry Godwin, President

Directors:

Larry Godwin, Chairman
J. C. Barfield, Jr.
Wilson Green, Jr.
Dale C. Higgins
Clarence L. Ivey
Thomas H. McLaughlin
Richard S. Swann

BRANCH

ORLANDO
5405 Silver Star Road (32808)

ROYAL TRUST COMPANY OF CANADA (EUROPE) LIMITED

Royal Trust House
48/50 Cannon Street
London, England
EC4N 6LD

Vice-President
Robert S. Traquair

Royal Trust's operations in Europe are directed from this London-based subsidiary. Royal Trust offers banking, trust, investment management and tax planning services through its European subsidiaries.

Board of Directors

Roland B. Breton
Gordon W. P. Camble
John M. Scholes
Robert S. Traquair
Kenneth A. White

The Royal Trust Company of Canada

Royal Trust House
48/50 Cannon Street
London EC4N 6LD
Tel. 236-6044

Directors:
Sir Francis Sandilands, Chairman
Roland B. Breton
David L. Donne
Nigel R. Godwin, Managing Director
Conrad F. Harrington
Marcus R. Kimball
W. Geoffrey Kneale
John M. Scholes
Jean B. Solandt
Colin S. R. Stroyan
Robert S. Traquair
Kenneth A. White

RoyTrust Financial Services Limited

Royal Trust House
48/50 Cannon Street
London EC4N 6LD
Tel. 236-6044

Directors:
Roger T. J. Bence
Roland B. Breton
Trevor J. Downing
Allan Wilson-Smith,
Managing Director

Royal Trust Bank (Jersey) Limited
P.O. Box 194
Royal Trust House
Colomberie
St. Helier, Jersey, Channel Islands
Tel. Jersey Central 27441

Directors:
Senator Reginald R. Jeune, Chairman
Roland B. Breton
Malcolm G. Gates, Managing Director
W. Geoffrey Kneale
Sir Robert Le Masurier
Sir Robert Marett
Francis Perrée
John M. Scholes
Robert S. Traquair
Kenneth A. White

The Royal Trust Company of Canada (C.I.) Ltd.

P.O. Box 194
Royal Trust House
Colomberie
St. Helier, Jersey, Channel Islands
Tel. Jersey Central 27441

Directors:
Senator Reginald R. Jeune, Chairman
Malcolm G. Gates, Managing Director
Sir Robert Le Masurier
Sir Robert Marett
Francis Perrée
John M. Scholes
Kenneth A. White

Royal Trust Bank (Ireland) Limited

Royal Trust House
10/12 Lansdowne Road
Dublin 4, Ireland
Tel. Dublin 603111

Directors:
John H. Donovan, Chairman
Roland B. Breton
Brian Doyle, Managing Director
William Griffin
Sean Healy
Kevin Mulcahy
John M. Scholes
Robert S. Traquair
Alan W. Warnock
Kenneth A. White

BRANCH
CORK
26/27 South Mall

Royal Trust Financial Services Limited

Royal Trust House
10/12 Lansdowne Road
Dublin 4, Ireland
Tel. Dublin 603111

Directors:
John H. Donovan, Chairman
Brian Doyle, Managing Director
Robert S. Traquair

Royal Trust Bank (Isle of Man)

46 Athol Street
Douglas, Isle of Man
Tel. Douglas 6198

Directors:
Edward R. M. Gawne, Chairman
Eric S. Behn
Andrew J. Hall
Edward S. Plummer, Managing Director
John M. Scholes
Kenneth A. White

The International Royal Trust Company A.G.

Am Schragen Weg 2, FL-9490
Vaduz, Liechtenstein
Tel. 01/202 51 45

Directors:
Dr. Gerard Batliner
Gordon W. P. Camble
Malcolm G. Gates
John M. Scholes
Dr. Jean-Marc Vuille
Kenneth A. White

The Royal Trust Company (International) Limited

P.O. Box N-7768
Bank Lane
Nassau, Bahamas
Denis A. Catt, Vice-President

The Royal Trust Company A.G.

24 Genferstrasse 24
CH-8027 Zurich
Switzerland
Dr. Jean-Marc Vuille, Resident-Director

ASSOCIATED COMPANIES

BM-RT LTD.

129 St. James Street West
Montreal, Quebec
H2Y 1L6

BM-RT Ltd. is jointly owned with the Bank of Montreal. It functions as the "adviser" to BM-RT Realty Investments, a real estate investment trust (REIT) which invests exclusively in residential first mortgages in Canada. BM-RT Ltd. also borrows in the market and lends the proceeds exclusively to the Trust. Royal Trust and the Bank of Montreal have undertaken to maintain the portfolio fully invested.

TOHCAN LIMITED

1293 Three Bental Centre
Vancouver, B.C.
V7X 1C4

TohCan Limited provides term financing to Canadian companies, including joint Canadian-Japanese ventures. Associated with Royal Trust as shareholders are: The Bank of Tokyo, The Toronto Dominion Bank, The Bank of British Columbia, The National Bank of Canada and A. E. Ames and Co. Limited.

INSMOR HOLDINGS LIMITED

Royal Trust Tower
Toronto Dominion Centre
Toronto, Ontario
M5K 1E7

Insmor Holdings Limited is the parent company of Insmor Mortgage Insurance Company.

BAHAMAS INTERNATIONAL TRUST COMPANY LIMITED

P.O. Box N-7768
Bank Lane
Nassau, Bahamas

INTERNATIONAL TRUST COMPANY OF BERMUDA

Mercury House, Front Street
P.O. Box 1255
Hamilton 5, Bermuda

CAYMAN INTERNATIONAL TRUST COMPANY LIMITED

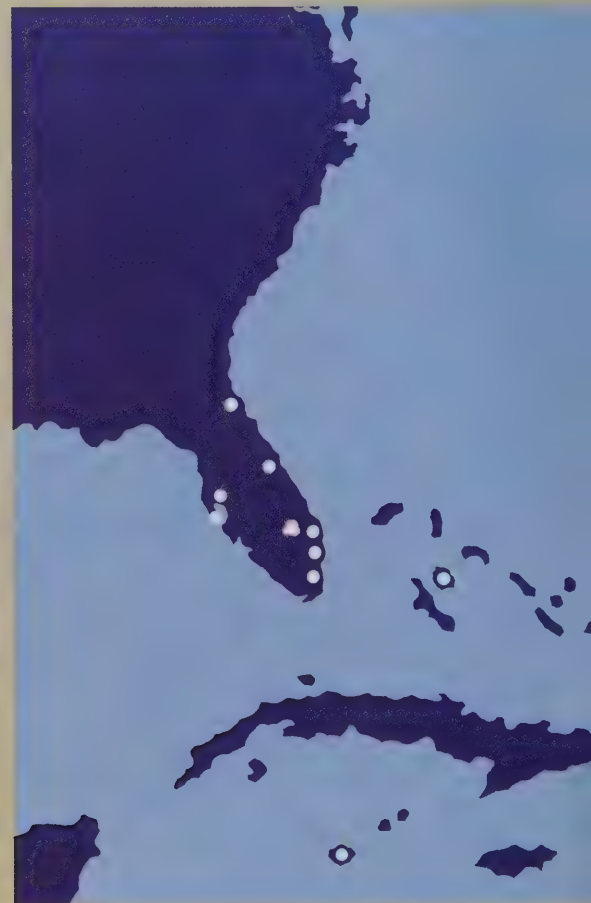
P.O. Box 500
Grand Cayman
Cayman Islands



Florida

Banks and branches:

Miami	3
Hialeah	1
Pembroke Pines	1
Ft. Lauderdale	1
Palm Beach	1
Boca Raton	1
Tampa	3
Gulfport	2
St. Petersburg Beach	1
Jacksonville	1
Orlando	2





Royal Trust on the Map

	Branches	
	Full Service	Moneyservice and Real Estate*
Canada		
Newfoundland	1	2
New Brunswick	1	5
Nova Scotia	1	4
Prince Edward Island	1	1
Quebec	4	52
Ontario	12	101
Manitoba	1	6
Saskatchewan	2	2
Alberta	3	22
British Columbia	3	15

*35 of these locations are combined real estate and moneyservice branches



Europe

Subsidiary banks and trust companies in:

England
Jersey, C.I.
Ireland
Isle of Man
Switzerland
Liechtenstein

Subsidiary and associated companies in:
Bahamas, Cayman Islands and Bermuda

Services

For the individual

Agent for the investment of money and collection of dividends, interest, rent and the principal of mortgages, bonds and stocks

Agent or attorney for executors

Agent for the management of estates

Certificates of Deposits (Guaranteed Investment Certificates) with terms up to 5 years and the option of interest payments monthly, semi-annually, annually or compounded over 5 years

Chequing accounts

Committee or curator to property

Estate planning

Executor and trustee under wills, including administrator or agent for the heirs in estates where there is no will

Expatriate services

Income-averaging annuity contracts

Income tax services

International tax services

Investment management

Managed investment funds (A, B, C and M)

Management and custodianship of securities

Mortgage services, including: mortgage insurance, life insurance and loans

Off-shore tax services

Professional athletes financial services

Loans, including: mortgage, collateral, consumer, retirement savings

Real estate broker: sales, leasing, property management, appraisals, employee relocation services

Registered Home Ownership Savings Plans

Registered Retirement Savings Plans, including: Guaranteed Savings Account retirement savings plan, B Fund, C Fund, M Fund, Guaranteed Retirement savings plan, Fixed Term Annuities, Registered Retirement Income Funds, Self Directed retirement savings plan

Savings accounts, including: minimum monthly, daily interest and Royal Trust 60 accounts for clients of 60 years and over

Standing-by attorney

Trustee under deeds of trust

For corporations, firms and other organizations

Agent for real estate, mortgages and lease back agreements

Caribbean and Channel Island trust services

Computer processing and programming services

Corporate loans

Corporate trust services

Custodian and trustee for non-resident insurance companies

Deferred profit sharing plans

Depository and escrow agent

Depository for medium and short term money against Guaranteed Investment Certificates

Financial agent for overseas employees

General financial agent and all related services

Group retirement savings plans

Interim and long term mortgage financing

Management of endowment funds, collection of pledges, etc., for charitable, religious, educational and similar bodies

Management and custodianship of securities

Paying agent for dividends and bond interest

Property management

Subscription and rights agent

Transfer agent and registrar for shares

Trustee for bondholders and registrar for bonds

Trustee for buy-sell agreements under business insurance trusts

Trustee and custodian for pension and other employee benefit plans

CORPORATE INFORMATION

Executive Office:

Toronto Dominion Bank Tower
Toronto Dominion Centre
Toronto, Ontario
M5W 1P9

Registered Office:

76 Metcalfe Street
Ottawa, Ontario
K1P 5L8

Auditor: Clarkson Gordon, Toronto, Ontario

Transfer Agents and Registrars: Royal Trust Corporation of Canada, Halifax, Toronto, Winnipeg, Regina, Calgary and Vancouver; The Royal Trust Company, Montreal

Stock Exchanges (Symbol RYL): Toronto, Montreal, Alberta and Vancouver Stock Exchanges

Version française: Le secrétaire se fera un plaisir de faire parvenir un exemplaire de ce rapport en français aux personnes qui en feront la demande.

